



# Framework Agreement for Collateral-Secured Instruments (COSI)

Version with guarantors domiciled in Switzerland

between

1. **SIX Swiss Exchange Ltd**  
[•] ("SSX")
2. **SIX SIS Ltd**  
[•] ("SIX SIS")
3. **[Issuer]**  
[•] ("Issuer")
4. **[Guarantor]**  
[•] ("Guarantor")

(Parties (1) to (4) are referred to jointly as the "*Parties*" and individually as the "*Party*")

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## **Preamble**

- A. The Issuer intends to sell financial instruments that are to be listed and traded on SSX .
- B. To reduce Investor risk, the financial instruments are to be collateralized in favour of SSX. The Issuer will apply to SSX for collateralization when the application for the admission of a Collateral-Secured Instrument ("COSI") to trading is submitted via CONNEXOR® Listing.
- C. The Guarantor is a participant in SIX SIS.
- D. The "Special Provisions Governing Collateral-Secured Instruments" issued by SSX lay down the method for calculating the Collateral that is required at any given time. Collateral is determined by the nature of the COSI. Where possible, SSX will base the collateralization process on third-party valuations of COSIs, or will have the value relevant to the collateralization of the financial instrument calculated by a SIX Group company.

## **On this basis, the Parties hereby agree the following:**

### **1. Object and purpose of the Agreement**

- 1.1 This Framework Agreement governs the collateralization of the Issuer's financial instruments that are to be traded on SSX.
- 1.2 Those financial instruments which may be collateralized in accordance with this Framework Agreement are subject to the restrictions set out in Appendix 1.
- 1.3 This Framework Agreement creates rights and duties between the Parties. Third parties, specifically Investors in COSIs, are not party to this Framework Agreement. Whether before, in the case of or following a Realization Event, Investors shall have no further claims against SSX and SIX SIS other than those provided for expressly in this Framework Agreement.
- 1.4 Should a Realization Event occur, the COSIs shall fall due for redemption pursuant to clause 11.4.1. When the COSIs fall due, the Investors shall automatically have a claim against SSX for the payment of their pro-rata share of the Net Realization Proceeds, in accordance with the provisions set out below. These Investor claims against SSX are based on a genuine contract in favor of a third party (Article 112 para. 2 of the Swiss Code of Obligations). No other or further rights for Investors arise from this Framework Agreement; clause 13.4 remains reserved. SSX may remit the pro-rata share of the realization proceeds due to the Investors to SIX SIS Participants and third parties, thereby discharging itself of any further liability (clauses 11.4.7 and 11.4.8).
- 1.5 The Parties to this Framework Agreement do not intend to form a simple partnership in the sense of Article 530 ff. of the Swiss Code of Obligations.
- 1.6 Neither SSX nor SIX SIS shall assume the obligations of the Issuer and/or the Guarantor that arise from the COSI at any time before, during or after a Realization Event. Neither shall SSX or SIX SIS participate in the obligations of the Issuer and/or the Guarantor to the Investors at any time before, during or after such an event.
- 1.7 The conclusion of this Framework Agreement or the collateralization of a financial instrument shall not constitute a value judgment on the part of SSX or SIX SIS with regard to the Issuer, the Guarantor, or a given COSI.

## **2. Legal foundations and transparency**

- 2.1 The basis of the legal relationship between the Parties is given by this Framework Agreement for Collateral-Secured Instruments, including Appendices 1 to 7 and (i) the SIX Swiss Exchange Ltd CONNEXOR® Listing license agreement and the CONNEXOR® Listing provisions, the SIX Swiss Exchange Ltd "Special Provisions Governing Collateral-Secured Instruments" as well as (ii) the SIX SIS Ltd Service Agreement, the SIX SIS Ltd "COSI ServiceGuide", the General Conditions of SIX SIS Ltd and the rules and regulations referred to in the General Conditions of SIX SIS Ltd. Even if a Party to the Framework Agreement is not party to a legal relationship referred to in this clause 2.1, it is still bound by the documents associated with the legal relationships mentioned in this clause 2.1 to the extent that the legal relationship or document in question concerns the service from SSX and SIX SIS that is covered by this Framework Agreement. In the event of any discrepancy between the Framework Agreement and the documents referred to in this clause 2.1, this Framework Agreement shall take precedence. The contradictory provision set out in clause 4.1.2 of this Framework Agreement remains reserved.
- 2.2 The currently valid version of the SSX Regulatory Board Communiqué entitled "Listing of Collateral-Secured Instruments", or any other regulations on COSIs that may be issued by SIX Exchange Regulation, shall form an integral part of this Framework Agreement for the Issuer and the Guarantor.
- 2.3 The Issuer undertakes to disclose the present Framework Agreement unchanged and in full to any and all interested persons at their first request. Such persons shall not be required to present any proof of interest. The Issuer shall make the Framework Agreement available in the German original or in its English translation free of charge electronically or by regular mail.
- 2.4 2.5 In respect of (i) the Issuer, (ii) all SIX Group companies, (iii) the companies charged with valuing the COSI and (iv) the other third parties involved in the service provided by SSX and SIX SIS, the Guarantor shall release SIX SIS from its obligation to maintain the professional secrecy under the Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (Financial Market Infrastructure Act) and business confidentiality obligations, insofar as the release from such confidentiality obligations serves the purpose of the Framework Agreement.
- 2.5 In respect of (i) the Guarantor, (ii) all SIX Group companies, (iii) the companies charged with valuing the COSI and (iv) the other third parties involved in the service provided by SSX and SIX SIS, the Issuer shall release SSX from its obligation to maintain professional secrecy under the Financial Market Infrastructure Act and business confidentiality obligations, insofar as the release from such confidentiality obligations serves the purpose of the Framework Agreement.

## **3. Conclusion of collateralization arrangement**

- 3.1 The Issuer shall apply via the CONNEXOR® Listing application to have an issue of financial instruments collateralized. Via CONNEXOR® Listing, the Issuer will then receive confirmation that the application for the collateralization of financial instruments has been received. SSX will inform SIX SIS of the instrument that is to be collateralized when said instrument is (provisionally) admitted to trading.
- 3.2 The Issuer shall inform SSX via CONNEXOR® Listing of any plans to list a certificate to be traded on a secondary exchange at the time the application is submitted to issue a

Collateral-Secured Certificate. An application for authorization to trade certificates on a secondary exchange may not be submitted until the certificate is listed on SSX.

- 3.3 For certificates already listed on SSX, the Issuer shall inform SSX via CONNEXOR® Listing of the listing or approval for this certificate to be traded on a secondary exchange SSX must receive this information at least one working Day before the certificate's first trading Day on the secondary exchange.
- 3.4 The conclusion of this Framework Agreement does not place the Issuer and the Guarantor under any obligation to have an issue of financial instruments collateralized.
- 3.5 The present Framework Agreement does not give any Party any claim against another Party to have an issue of financial instruments collateralized.
- 3.6 The actual exchange between the Guarantor and SSX of Collateral for a certain number of financial instruments, in return for the corresponding COSIs, in accordance with the SIX SIS Rules and Regulations ("*Market Delivery*") automatically obliges the Guarantor to provide Collateral for the same number of financial instruments in accordance with the provisions of the present Framework Agreement.

#### **4. Collateralization process**

##### **4.1 Basic principles**

- 4.1.1 The collateralization of financial instruments is governed by this Framework Agreement, as well as by the SSX Rules and the SIX SIS Rules and Regulations. The method used to establish the Collateral required at any given time is laid down in the "Special Provisions Governing Collateral-Secured Instruments" from SSX. These Special Provisions also form part of the SSX Rules (clauses 2.1 and 19.20). The version of the SSX Rules that is valid at any given time can be accessed via the SSX website ([www.six-group.com/exchanges](http://www.six-group.com/exchanges)), and the SIX SIS Rules and Regulations are posted on the SIX Securities website ([www.six-group.com/securities-services](http://www.six-group.com/securities-services)).
- 4.1.2 The Collateral that shall be furnished by the Guarantor is determined by the Current Value of the COSI. Current Values are (i) determined in the trading currency of the COSI and (ii) converted into Swiss francs in order to calculate the required Collateral ("*Collateral Value*"). The way in which the Current Value is calculated is determined for each COSI when an application for (provisional) admission to trading is submitted via CONNEXOR® Listing. It remains unchanged for the entire term of the COSI. The Issuer shall disclose the method that is used to calculate the Current Value of the COSI in the documents referred to in clauses 15 and 16. If prices for the financial instruments ("*Fair Values*") are available from third parties, such prices shall be factored in to the calculation of Current Value in accordance with the provisions of the SSX Rules. Otherwise, the calculation of Current Value will use the "bond floor pricing" method, as defined by the Swiss Federal Tax Administration, Bern (Switzerland). Where no bond floor is available for a COSI that is subject to bond floor pricing, the Current Value corresponds at a minimum to the capital protection laid down in the redemption terms for the financial instrument. If the final bid price for the financial instrument at the close of the previous Day's trading on SSX is higher, the Collateral requirement is always based on this latter price. Should the aforementioned COSI prices be unavailable at any given time, then other prices shall be used to calculate required Collateral, in accordance with the SSX Rules. The rules set out in section 7 ("*Method of determining the Current Value of certificates for collateralization purposes*") of the "Special

Provisions for Collateral-Secured Instruments" from SSX take precedence over the principles set out in the present clause 4.1.2 in all cases.

- 4.1.3 On the basis of the Market Deliveries described in clause 3.6, the Guarantor undertakes irrevocably and unconditionally to SSX that it will provide Collateral for (i) the total Current Values of all of the Collateral-Secured Financial Instruments issued by the Issuer under this Framework Agreement ("*Collateral Value*"); (ii) all claims on the part of SSX against the Guarantor and the Issuer that exist under this Framework Agreement, including Fees payable under the additional agreement described in clause 7; (iii) the full costs of the realization of Collateral and the payment of the pro-rata shares of Net Realization Proceeds to the Investors (clause 11.3.3); as well as (iv) regardless of their legal grounds, any and all further claims on the part of SSX that might arise against the Guarantor or the Issuer in direct or indirect connection with the SSX service for the collateralization of financial instruments. This aggregate claim on the part of SSX against the Guarantor, as described in the foregoing sentence and amounting to (i) the Collateral Value and the further components (ii) to (iv), must be secured by the Guarantor in favour of SSX, in accordance with the provisions of this Framework Agreement.
- 4.1.4 The outstanding issue volume of a Collateral-Secured Instrument shall be collateralized in full. Partial collateralization is not possible.
- 4.1.5 Only one Guarantor is permitted for each Issuer at any time.
- 4.1.6 The security interests granted by the Guarantor to SSX serve to collateralize all of the Issuer's financial instruments under the terms of this Framework Agreement. Collateral is not allocated to individual issues of COSIs. Investors cannot derive any rights from the fact that the Guarantor provides Collateral in connection with certain issues.
- 4.1.7 The Guarantor must hold a license (i) as a domestic bank as defined in the Federal Act on Banks and Savings Banks, or (ii) as a domestic securities dealer as defined in the Federal Stock Exchange and Securities Trading Act.

## **4.2 Type of collateralization and investor claims**

- 4.2.1 On the basis of this Framework Agreement, the Guarantor shall create for all Collateral a regular right of lien in favor of SSX. The grant of security interests in intermediated securities on the basis of this Framework Agreement is governed by the provisions of the Federal Intermediated Securities Act.
- 4.2.2 The present Framework Agreement applies to all forms of Collateral, i.e. intermediated securities, certificated securities and uncertificated securities, as a pledge agreement or a Collateral agreement.
- 4.2.3 Security interests in the Collateral (including the rights attached to the Collateral), as described in clause 4.2.1, are deemed created in favour of SSX when the Collateral is transferred from the account of the Guarantor at SIX SIS to the account of SSX at SIX SIS on the basis of this Framework Agreement.
- 4.2.4 SSX shall not hold any rights of use with respect to the Collateral. SSX reserves the right to realize the Collateral under the terms of this Framework Agreement.
- 4.2.5 Investors hold no separate right of lien or other security interests in the Collateral that is lodged in favour of SSX.

- 4.2.6 The Investor claim that is created by the Collateral-Secured Instruments falling due under this Framework Agreement (clause 4.2.7) shall be irrevocable on the part of the Guarantor or a new Guarantor from
- a) the point in time at which the COSIs are provisionally admitted to trading (or, if no such admission has been applied for, at the time of definitive admission; or
  - b) the point in time at which a new Guarantor effectively assumes its obligations (clause 4.10).
- 4.2.7 The COSIs must fall due under this Framework Agreement (clause 11.4.1) before the Investors have any automatic claim to the payment of their pro-rata shares of the Net Realization Proceeds. By acquiring a COSI, each Investor automatically declares to SSX, as described in Art. 112 para. 3 of the Swiss Code of Obligations, that they wish to enforce their rights under the Framework Agreement when the COSI falls due for redemption. **Investors are thus bound in respect of SSX and SIX SIS to the provisions of this Framework Agreement and, in particular, to the choice of law and place of jurisdiction agreed in clause 21 of this Framework Agreement.**
- 4.3 Nature and quality of Collateral**
- 4.3.1 The Guarantor may lodge the Collateral listed in Appendix 2 to this Framework Agreement.
- 4.3.2 Depending on the nature of the Collateral, collateralization margins ("Haircuts") shall apply. The relevant figure for collateralization purposes is calculated from the market price of the Collateral, less the countervalue of the Haircut.
- 4.3.3 SSX shall be entitled at any time to exclude Collateral, specifically including individual securities, from the list of eligible Collateral given in Appendix 2. The selection of eligible Collateral from the categories stipulated in Appendix 2 does not require the approval of the other Parties to the Framework Agreement. SSX shall inform the Issuer, the Guarantor and SIX SIS of eligible forms of Collateral. Any changes to eligible Collateral that are determined by SSX become effective thirty (30) Days after notification. When these changes come into effect, the Collateral for the financial instruments that is provided by the Guarantor must be fully compliant with the new collateralization rules. Should this not be the case, clause 11.1.2 (a) of this Framework Agreement shall apply.
- 4.3.4 In the sense of Article 111 of the Swiss Code of Obligations, the Guarantor shall guarantee to SSX that, at the time the Collateral is lodged and for the entire term of the collateralization arrangement under this Framework Agreement:
- a) the Collateral is free of any defects of quality or title;
  - b) no third party has any rights to the Collateral which would prevent the use of the Collateral under this Framework Agreement, neither will any such third-party rights arise while the collateralization arrangement is in effect;
  - c) the Guarantor is not under any contractual or other obligations that would prevent the use of the Collateral for the purposes described under this Framework Agreement;
  - d) the Guarantor is not obliged to observe any requirements that would prevent a valid security interest being created in favour of SSX;
  - e) the Guarantor holds the necessary license to operate as a domestic bank or domestic securities dealer with its legal headquarters (or principal office) in Switzerland; and

- f) should a Realization Event occur, the Collateral can be enforced in accordance with the provisions of this Framework Agreement against the Guarantor and for the account of the Investors.

4.3.5 SSX and SIX SIS are not under any obligation to inspect the Collateral for defects, as described in clause 4.3.4, either at the time the Collateral is lodged or at any point during the term of the collateralization arrangement.

#### **4.4 Delivery of Collateral upon issuance**

4.4.1 The delivery of Collateral is governed by the Rules and Regulations of SIX SIS. The Collateral must be available in the Guarantor's custody account with SIX SIS at the latest on the Day prior to the Banking Day on which it must be lodged in favour of SSX (clause 4.2). If the delivery deadline at the SIX SIS depository in question does not fall on a Banking Day, then the Banking Day that follows immediately after this date shall be deemed the key date for compliance with deadlines.

4.4.2 The Guarantor shall bear any and all costs incurred in delivering the securities to SIX SIS or to one of its depositories.

#### **4.5 Degree of cover and obligation to provide additional Collateral**

4.5.1 The value of the Collateral that has been lodged and the Collateral Value of the COSIs are recalculated on every Banking Day. SIX SIS shall be responsible for establishing the value of Collateral. SSX shall determine the Collateral Value of the COSIs; this figure is binding. For the purposes of collateralization, SIX SIS shall calculate Collateral Values in Swiss francs.

4.5.2 Should the value of the Collateral that has been lodged fall below the Collateral Value, specifically because the Current Value of a COSI has increased, or because the value of the Collateral has fallen, and should this shortfall in cover also exceed the agreed Margin Threshold, then the Guarantor shall be obliged to lodge additional Collateral up to the required amount on the same Day, in accordance with SIX SIS Rules and Regulations. If there is insufficient cover for the Collateral Value, SIX SIS will issue a Margin Call.

4.5.3 Should the Guarantor fail to provide additional cover within the set period (clause 4.5.2), clause 11 of this Framework Agreement shall apply.

4.5.4 Should the value of the Collateral that has been lodged rise above the Collateral Value, specifically because the Current Value of a COSI has declined, or because the value of the Collateral has increased, and should this excess cover also exceed the agreed Margin Threshold, then SSX shall be obliged to return Collateral equaling the excess cover to the Guarantor on the same Day. SSX shall authorize and instruct SIX SIS to trigger an automatic Margin Return in the event of excess cover. Clause 4.9 shall apply accordingly.

#### **4.6 Duration of collateralization arrangement**

4.6.1 The collateralization arrangement must be maintained for the entire term of a COSI, as provided for in the issuing conditions. The payment under this Framework Agreement of pro-rata shares of Net Realization Proceeds to Investors when the COSI falls due and clause 13.4 remain reserved.

4.6.2 The collateralization arrangement may not be terminated by either the Guarantor or the Issuer.

#### **4.7 Substitution of Collateral**

- 4.7.1 The Guarantor is free at any time to exchange all or part of lodged Collateral for Collateral that is accepted by SSX as of equal value. The Collateral that is to be substituted will be returned against the simultaneous provision of Collateral of equivalent value.
- 4.7.2 Following substitution, the new Collateral takes the place of the Collateral that has been returned.

#### **4.8 Management of Collateral**

- 4.8.1 SIX SIS shall manage the Collateral within the framework of the SIX SIS Rules and Regulations. SIX SIS shall inform the Guarantor on an ongoing basis of the rights associated with the securities, such as terminations, subscription rights and repayments. The Guarantor undertakes to inform SIX SIS in good time of the action required in managing the Collateral.
- 4.8.2 SIX SIS shall inform SSX of forthcoming corporate actions affecting the Collateral. Where possible, SIX SIS shall substitute this Collateral with other Collateral, in accordance with the SIX SIS Rules and Regulations.
- 4.8.3 If securities are converted, the converted securities shall automatically be subject to a security interest as described in clause 4.2. If securities are redeemed, the entire amount of the repayment shall automatically be subject to a security interest as described in clause 4.2. If the securities are affected by a takeover, merger or comparable transaction under company law, the securities that take their place and/or the takeover price received shall automatically be subject to a security interest as described in clause 4.2.

#### **4.9 Back Transfer of Collateral**

- 4.9.1 Once the Issuer's obligations have been satisfied in full in accordance with the issuing conditions for a COSI, or if the Issuer reduces the outstanding issue volume, Collateral of such a value as is not required for the collateralization of other COSIs from the Issuer being subject to this Framework Agreement shall be transferred back from the account of SSX to the account of the Guarantor.
- 4.9.2 SSX shall warrant that, during the collateralization arrangement, no defects of quality or title have arisen with regard to the Collateral that is to be returned.
- 4.9.3 Any costs of returning the Collateral shall be borne by the Guarantor. SSX and SIX SIS shall not incur any costs in connection with the return of Collateral.

#### **4.10 Change of Guarantor**

- 4.10.1 If a new Guarantor is to provide Collateral for the Issuer's outstanding financial instruments, the new Guarantor must enter into the Issuer's Framework Agreement by means of a written declaration of consent. The inclusion of the new Guarantor requires the written approval of SSX, the departing Guarantor, and the Issuer. Approval from SIX SIS shall be deemed given automatically upon signature of this Framework Agreement. SSX will inform SIX SIS of the new Guarantor.
- 4.10.2 The inclusion of the new Guarantor in the Framework Agreement becomes effective (i) at the start of the fourth Banking Day after the new Guarantor, the departing Guarantor, the Issuer and SSX have given their consent, provided (ii) at the point in time set out in (i), the value of Collateral is secured in full by the new Guarantor, in accordance with the requirements of this Framework Agreement. Where conditions (i) and (ii) of this clause 4.10.2 are not satisfied, the effectiveness of the new Guarantor's inclusion in the Framework Agreement shall be deferred.

- 4.10.3 When the inclusion of the new Guarantor in the Issuer's Framework Agreement becomes effective (clause 4.10.2), the new Guarantor shall assume all of the rights and obligations of a Guarantor under this Framework Agreement, and become party to it. The departing Guarantor is automatically released from its obligations under this Framework Agreement when the new Guarantor's inclusion becomes effective. Outstanding Fees (clause 7) owed by the departing Guarantor shall be paid by it. The new Guarantor shall not be placed under any obligation arising from such unpaid Fees.
- 4.10.4 The Collateral lodged by the departing Guarantor shall not be released from the lien or its collateralization function and returned to the departing Guarantor until the value of the Collateral is secured in full by the new Guarantor. Clause 4.9.3 shall apply.

## **5. Rights from Collateral**

### **5.1 Exercise of membership, property and other rights to securities**

- 5.1.1 Owing to technical conditions at SIX SIS, the Guarantor is not able to exercise non-property-related rights, specifically participation rights, pertaining to securities that serve as Collateral under this Framework Agreement. Should the Guarantor not wish to forego these rights, it must replace these securities with other Collateral in good time.
- 5.1.2 The Guarantor may issue SIX SIS with instructions on the protection of its rights arising from capital market transactions, provided the Collateral Value according to this Framework Agreement remains guaranteed. SIX SIS shall observe these instructions, provided they are issued in full and in good time, and do not contradict the provisions of this Framework Agreement. SIX SIS shall act in accordance with the instructions of the Guarantor, without checking the conformity of those instructions with statutory and other applicable provisions. The expenditure actually incurred in observing such instructions will, in all cases, be passed on to the Guarantor along with the usual bank charges and commissions.
- 5.1.3 Should the Guarantor not issue instructions, or not do so in good time, then the payments or securities that SSX actually receives in connection with the Collateral shall fall within the scope of the security interest set out in clause 4.2. Should SIX SIS fail to observe a valid instruction, in the context of clause 4.9 the Guarantor shall receive those payments that it would have received had its instructions been duly observed.
- 5.1.4 In the absence of any other agreement, in the case of subscription rights to shares the Guarantor shall inform SIX SIS at the latest three trading Days before the end of the subscription period in question whether the cash settlement for the subscription rights at the price on the last trading Day, or the securities that are acquired are to be subject to the collateralization arrangement described in clause 4.2. Should the Guarantor not issue any instructions, or should it fail to do so in good time, the subscription rights shall be settled in cash at a price on the last trading Day.

### **5.2 Income**

- 5.2.1 Notwithstanding clause 5.2.2, any and all income (specifically dividends, interest and premiums) accruing to the Collateral prior to its return shall be paid out to the Guarantor, less any withholding tax, as at the appropriate value date. Any expenditure shall be settled at the same time.
- 5.2.2 Income on Collateral which falls due on or after the Day or Banking Day on which a Realization Event occurs (clause 11.1.2), shall be subject to the lien or security interest in favor of SSX that is described in clause 4.2.1.

## **6. Taxation**

- 6.1 The Guarantor shall be responsible for ensuring compliance with the provisions of tax law.
- 6.2 Any taxes or duties on the transfer or holding of the Collateral that are incurred during the collateralization arrangement shall be borne by the Guarantor.
- 6.3 Any taxes or duties on the payment of the pro-rata shares of Net Realization Proceeds shall be borne by the Investors.

## **7. Fees**

- 7.1 The Guarantor shall pay SSX a Fee for the latter's collateralization service for financial instruments. The parties will conclude an additional agreement in this regard. The Fee reflects the total volume of Collateral which the Guarantor must lodge for the collateralization of financial instruments under this Framework Agreement. The Fee is owed for the entire term of a COSI, in accordance with its issuing conditions. The period for which the Fee is payable ends when a COSI falls due pursuant to clause 11.4.1.

## **8. Market making**

- 8.1 The Issuer undertakes to ensure market making for the COSIs for the entire duration that they are admitted to trading and listed. To this end, the Issuer or a third party charged by the Issuer with this task shall conclude a Market Making Agreement with SSX.
- 8.2 Under the terms of the Market Making Agreement, the market maker may be replaced by a successor acceptable to SSX and the Issuer.

## **9. Distribution of Collateral-Secured Instruments and Secondary Listing**

### **9.1 Distribution of Collateral-Secured Instruments**

- 9.1.1 The distribution of COSIs on the primary and secondary market shall be the responsibility of the Issuer.
- 9.1.2 SSX shall grant the issuer the non-exclusive, non-transferable, royalty-free limited right to use the COSI brand (CH trademark no. 595672) and the COSI logo (CH trademark no. 604066) (hereinafter referred to as "COSI Trademarks") in accordance with Appendix 6; this right shall remain in place for the actual duration of the Framework Agreement (until its termination in accordance with clause 13). This right of usage shall be granted to companies that carry out marketing activities for issuers of collateral-secured companies (hereinafter referred to as "Distribution Companies of the Issuer"), as soon as they have notified SSX of their intention to exercise this right by duly signing Appendix 7. The right of Distribution Companies of the Issuer to use the COSI Trademarks (in accordance with the previous sentence) shall automatically lapse upon termination of the right of usage for the Issuer pursuant to clause 9.1.2. By using the COSI Trademarks, neither the Issuer nor the Distribution Companies shall have the right to sub-license the COSI Trademarks. The Guarantor, who acts neither as the Issuer nor Distribution Company, shall not have the right to use the COSI Trademarks.
- 9.1.3 The Issuer guarantees that
  - a) in appealing to clients, no statements shall be made or information given that might result in COSIs being confused with investment funds, or that might mislead Investors;

- b) in connection with COSIs, no reference shall be made to SIX Group or to individual SIX Group companies in any other way than is provided for in the Information Sheet and in the applicable rules on exchange trading, unless the company in question has given its written consent;
- c) in marketing Collateral-Secured Certificates, the COSI Trademarks shall always appear together with the letter "R" in a circle (the symbol ®);
- d) in using COSI Trademarks to market Collateral-Secured Certificates, the following text shall appear in an appropriate position in the documentation and in particular on the relevant termsheet, listing prospectus and issue prospectus, irrespective of the language used in this documentation: "COSI® Collateral Secured Instruments – Investor Protection engineered by SIX";
- e) in using a logo in any way whatsoever for Collateral-Secured Certificates, pursuant to Appendix 6, the logo shall only be used in the manner described in Appendix 6;
- f) further to paragraphs (c) to (e) above, no company lettering or logos belonging to a SIX Group company shall be used to support the distribution of COSIs; and
- g) further to paragraphs (c) to (e) above, no visual elements pertaining to a SIX Group company shall be used in the distribution documentation for COSIs.

## **9.2 Secondary listing of Collateral-Secured Certificates**

- 9.2.1 Apart from the primary listing on SSX the Issuer may apply for a listing or admission to trading on one or more secondary exchanges. In particular, the secondary exchange may be located abroad.
- 9.2.2 The Issuer may only apply for a listing or admission to trading on a secondary exchange if the Collateral-Secured Certificate's termsheet (clause 15) contains the text module specified in clause 17.6 at the time of the primary listing on SSX. If the requirement set out in the first sentence of clause 9.2.2 is not met, the certificate in question may not be listed or admitted to trading on a secondary exchange.
- 9.2.3 The listing or admission to trading on a secondary exchange must relate to the same certificate (without any changes to the structure of the certificate) that is the subject of the Framework Agreement and primary listing on SSX. In particular, the certificate may not be listed or admitted to trading on the secondary exchange in a different or additional trading currency.
- 9.2.4 A Collateral-Secured Certificates may only be listed or admitted to trading on a secondary exchange or another relevant trading venue (hereinafter referred to collectively as "Secondary Exchanges") if the Secondary exchange is recognized by SSX. SSX shall maintain a list of recognized Secondary Exchanges, which is shall make available to Issuers. Further Secondary Exchanges may be added to the list of recognized Secondary Exchanges on the request of the Issuers. The decision on whether to recognize a Secondary Exchange is made at the discretion of SSX. SSX reserves the right to remove a Secondary Exchange from the list of recognized Secondary Exchanges at any time. If SSX removes a Secondary Exchange from the list of Secondary Exchanges, it shall disclose this to the Issuers of Collateral-Secured Certificates. The Secondary Exchange in question shall be removed from the list one calendar Day after informing the Issuers. In accordance with the issuing conditions of Collateral-Secured Certificates, those Collateral-Secured Certificates already listed or traded on a Secondary Exchange that is removed from the list of recognized Secondary Exchanges are not affected by the removal from the list during their lifespan.

After a Secondary Exchange has been removed from the list of recognized Secondary Exchanges, Issuers may not make any further applications for Collateral-Secured Certificates to be listed or admitted to trading on the Secondary Exchange in question.

- 9.2.5 All aspects and events related to a listing or admission to trading on a Secondary Exchange shall be disregarded under the Framework Agreement (in particular the provisions of clause 11.1). As a result, the price of a Collateral-Secured Certificate that is set in listing or admitting to trading on a Secondary Exchange, in particular, shall have no impact on the Current Value of the certificate, as described by clause 4.1.2. In addition, the suspension of market making on a Secondary Exchange and the delisting of the certificates from a Secondary Exchange shall not be deemed a Realization Event under the Framework Agreement.
- 9.2.6 If a Realization Event occurs in accordance with clause 11.1.2, the Issuer shall immediately apply for a suspension of trading on all Secondary Exchanges in all its certificates collateralized under the Framework Agreement. Furthermore the Issuer shall immediately take steps to delist its Collateral-Secured Certificates from all Secondary Exchanges. The Issuer's obligations listed in clause 9.2.6 shall apply irrespective of the consequences for the certificates on the primary exchange in accordance with clause 11.2.9.
- 9.2.7 Irrespective of the obligations listed in clause 9.2.6, the Issuer and the Guarantor agree that (i) SSX can publicly disclose the occurrence of a Realization Event (clause 11.1.2) and the maturities of Collateral-Secured Certificates in accordance with the Framework Agreement in those countries where the certificate is listed or admitted to trading on a Secondary Exchange and (ii) SSX may inform the Secondary Exchanges or other bodies about such occurrences.
- 9.2.8 The Issuer shall comply in full with the requirements set out in clauses 15, 16 and 17 when a Collateral-Secured Certificate is listed or admitted to trading on a Secondary Exchange. In particular, the Issuer shall integrate the same text blocks and modules as required under clauses 15, 16 and 17 and as used by the Issuer for the primary listing of the Collateral-Secured Certificate on SSX into the termsheets (and comparable documents) as well as into issue prospectuses and listing prospectuses that are used for listing and admission to trading on a Secondary Exchange or for the distribution of Collateral-Secured Certificates.

## **10. Information Sheet**

- 10.1 SSX publishes an Information Sheet on Collateral-Secured Instruments. The Information Sheet current at the time this Framework Agreement is signed is reproduced in Appendix 3 to this Framework Agreement. The version of the Information Sheet valid at any given time forms an integral part of this Framework Agreement and may be downloaded from the SSX website ([www.six-group.com/exchanges](http://www.six-group.com/exchanges)). SSX shall send any changes to the Information Sheet to the Issuer and the Guarantor electronically.
- 10.2 The Issuer shall
- a) devise the issuing conditions for COSIs, as well as all documentation intended for potential clients, in compliance with the Information Sheet and this Framework Agreement; and
  - b) include a reference to the SSX Information Sheet and this Framework Agreement in the issuing conditions for COSIs, as well as all documentation intended for potential clients.

10.3 The legal position of the Investor in respect of the collateralization of a financial instrument is determined by the provisions of this Framework Agreement, including its Appendices and the rules and regulations referred to herein (clause 18.1). The Information Sheet is intended to inform Investors of the major aspects of the collateralization of financial instruments. Should the Information Sheet contain any statements that deviate from the provisions of this Framework Agreement, then the provisions of this Framework Agreement shall take precedence in all regards.

## **11. Realization of Collateral and payment to Investors**

### **11.1 Occurrence of a Realization Event**

11.1.1 The Parties shall inform SSX immediately and in writing of any and all circumstances that give rise or might give rise to a Realization Event, unless this obligation is negated by statutory or regulatory provisions or the requirements of a competent authority.

11.1.2 A Realization Event occurs when

- a) the Guarantor does not lodge the Collateral owed under this Framework Agreement, does not lodge it in good time, or the Collateral itself contains defects, unless those defects are remedied within three (3) Banking Days. The point decisive for the occurrence of a Realization Event shall be the first Banking Day after the grace period of three (3) working Days has expired unused;
- b) the Issuer does not honour a payment or delivery commitment under a collateral-secured instrument when it falls due according to the issuing conditions, or does not honour such a commitment in good time or without defects, unless those defects are remedied within three (3) Banking Days. The point decisive for the occurrence of a Realization Event shall be the first Banking Day after the grace period of three (3) working Days has expired unused;
- c) the Federal Financial Market Supervisory Authority ("FINMA") orders protective measures pursuant to Article 26 para. 1 (f) to (h) of the Federal Law on Banks and Savings Banks, restructuring measures or liquidation (insolvency) proceedings pursuant to Article 25 ff. of the Federal Act on Banks and Savings Banks (in association with Article 36a of the Federal Stock Exchange and Securities Trading Act, where appropriate) against the Issuer or the Guarantor. The point decisive for the occurrence of a Realization Event shall be the date on which protective or restructuring measures are ordered or insolvency proceedings are commenced. Any prior knowledge on the part of SSX, SIX SIS or another SIX Group company of action planned by FINMA which might result in a Realization Event under this paragraph (c) is of no consequence to the occurrence of a Realization Event in any case;
- d) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders measures comparable to those described in the foregoing paragraph (c). The point decisive for the occurrence of a Realization Event shall be the date on which the measures were ordered or insolvency proceedings or proceedings with a comparable effect are commenced;
- e) the market making obligation (clause 8) is breached for ten (10) consecutive Banking Days ("Suspension Period"). The point decisive for the occurrence of a Realization Event shall be the first Banking Day after the Suspension Period has expired;

- f) the Guarantor's participation in SIX SIS expires. The point decisive for the occurrence of a Realization Event shall be the first Banking Day after participation has expired;
  - g) the provisional admission of Collateral-Secured Instruments to trading lapses or is cancelled, and the Issuer fails to satisfy the Investors' claims under the financial instrument's issuing conditions within thirty (30) Banking Days of the lapse or cancellation of provisional admission to trading. The point decisive for the occurrence of a Realization Event shall be the first Banking Day after the expiry of the thirty (30) Banking Day period following the lapse or cancellation of provisional admission; or
  - h) the Collateral-Secured Instruments are delisted upon the application of the Issuer or for other reasons, and the Issuer fails to satisfy the Investors' claims under the financial instrument's issuing conditions within thirty (30) Banking Days following the last trading Day. The point decisive for the occurrence of a Realization Event shall be the first Banking Day after the expiry of the thirty (30) Banking Day period following the last trading Day for the COSIs.
- 11.1.3 A Realization Event may occur even (i) if the Issuer, Guarantor or market maker (clause 8) is not answerable for any fault and (ii) regardless of the degree of any fault of the Issuer, the Guarantor or the market maker.
- 11.1.4 SSX shall not be obliged to investigate the background to the occurrence of a Realization Event. In determining whether or not a Realization Event has occurred, SSX shall base its decision exclusively on reliable sources of information.
- 11.1.5 With binding effect on the Parties and the Investors, SSX shall determine (i) that circumstances be recorded as a Realization Event according to clause 11.1.2; and (ii) the time at which the Realization Event occurred.
- 11.1.6 A Realization Event cannot occur for as long as SIX SIS and SSX are unable to guarantee the technical processes relevant to the collateralization of financial instrument.
- 11.2 Procedure in case of a Realization Event**
- 11.2.1 Should a Realization Event occur, the Collateral lodged for the collateralization of financial instruments under this Framework Agreement shall be realized by SSX or, respectively, in case of liquidation of SSX (clause 13.4) by the bankruptcy liquidator of SSX. Legal and real obstacles remain reserved.
- 11.2.2 Should a Realization Event have occurred SSX shall be entitled, at its own discretion, to
- a) announce the occurrence of a Realization Event publicly in appropriate form either immediately or at a later date, in particular in a newspaper with a national distribution or on the SSX website;
  - b) realize all existing Collateral privately either immediately or at a later date, regardless of the level of claims pursuant to clauses 11.3 and 11.4, provided applicable legal provisions or orders from the authorities do not prevent such a private realization. If private realization is not possible, SSX may deliver the Collateral to the competent person for realization.
- 11.2.3 Realization relates to all of the Issuer's COSIs that are subject to this Framework Agreement (clause 4.1.6). The details of the realization process shall be determined by SSX.
- 11.2.4 The Guarantor shall be notified in advance by SSX that the Collateral is to be realized. Such advance notification does not prevent immediate realization.

- 11.2.5 If a Realization Event has occurred, SSX shall determine the Current Values of all of the Issuer's COSIs in their individual trading currencies. The Current Values determined by SSX shall be binding on the Parties and on the Investors. The key values are the Current Values of the Collateral-Secured Instruments on the Banking Day immediately preceding the Day or Banking Day relevant to the occurrence of the Realization Event (clause 11.1.2).
- 11.2.6 If a Realization Event has occurred, SSX shall convert into Swiss francs the Current Value, as per clause 11.2.5, of COSIs that are traded in a currency other than the Swiss franc. These converted values are binding on the Parties and on the Investors. The determining exchange rates shall be those that apply under the SIX SIS Rules and Regulations on the Banking Day immediately preceding the Day or Banking Day relevant to the occurrence of the Realization Event (clause 11.1.2). The conversion of Current Values under this clause 11.2.6 relates to the scope and effects of the payment of pro-rata shares of Net Realization Proceeds by SSX to the Investors in financial instruments with a trading currency other than the Swiss franc, but does not otherwise affect the relationship between the Investor and the Issuer (clause 11.4).
- 11.2.7 Should a further Realization Event occur after a previous Realization Event as per clause 11.1.2, but prior to the COSI falling due for redemption (clause 11.4.1), the first Realization Event is still the decisive factor in determining the Current Value of the COSIs.
- 11.2.8 A Realization Event cannot be remedied either before or after a COSI has fallen due (clause 11.4.1).
- 11.2.9 If a Realization Event has occurred, then (i) trading in all of the Issuer's COSIs under this Framework Agreement may be suspended, and (ii) the Issuer's COSIs may be delisted. Clause 13.4 remains reserved.
- 11.3 Realization proceeds and costs**
- 11.3.1 Should the realization of Collateral result in proceeds denominated in a foreign currency, the broker shall pay the countervalue in Swiss francs to SSX.
- 11.3.2 SSX shall be entitled to use the entire proceeds from the realization of Collateral to satisfy all claims set out in clause 4.1.3. In determining the applicable Collateral Value as per clause 4.1.3, in the context of this clause 11.3.2 the determining value shall be the Current Value of the Collateral-Secured Instruments pursuant to clauses 11.2.5 and 11.2.6.
- 11.3.3 SSX shall be entitled to cover from the realization proceeds its own or third-party costs (including taxes, duties and Fees for external consultants) that arise in connection with the realization of Collateral and the payment of the Net Realization Proceeds to the Investors before any other payments are made. To this end, SSX shall deduct a flat rate of 0.1 percent of the entire realization proceeds to cover its own processing costs and those of third parties. Should SSX, SIX SIS or third parties incur any extraordinary realization and distribution costs, SSX may also deduct these additional costs from the realization proceeds, before any other payments are made.
- 11.3.4 SSX and SIX SIS shall be entitled to satisfy their claims against the Issuer and the Guarantor under this Framework Agreement (including Fee claims pursuant to clause 7) from the realization proceeds before any other payments are made.
- 11.3.5 The remaining Net Realization Proceeds shall be available for payment to the Investors in the Issuer's COSIs.

**11.4 Maturity of Collateral-Secured Instruments and payment of Net Realization Proceeds**

- 11.4.1 Unless they have already fallen due for redemption, all of the Issuer's financial instruments that are collateralized under this Framework Agreement shall mature thirty (30) Banking Days after a Realization Event has occurred (clause 11.1.2).
- 11.4.2 SSX shall publicly announce the date on which the Collateral-Secured Instruments mature, and publish their Current Values (clause 11.2.5) in a newspaper with a national distribution, as well as on the SSX website. The value of the instruments, as established in accordance with clause 11.2.6, as well as the applicable exchange rates, shall be announced in the same way.
- 11.4.3 The Investors' claims against the Issuer when the COSIs mature under the terms of this Framework Agreement are determined by the Current Values of the instruments pursuant to clause 11.2.5.
- 11.4.4 Each Investor has a maximum claim against SSX (clauses 1.4 and 4.2.6) amounting to that share of the Net Realization Proceeds of the Collateral, as per clause 11.3, that corresponds to the total Current Values of their COSIs under this Framework Agreement. In the case of COSIs in a trading currency other than the Swiss franc, the Investor's claim under this clause 11.4.4 is determined by the value of the instruments as described in clause 11.2.6.
- 11.4.5 Should the Current Values held by all Investors in the Issuer's COSIs exceed the Net Realization Proceeds, SSX shall pay out the pro-rata shares of Net Realization Proceeds to the individual Investors in accordance with the individual Investors' total Current Values as a proportion of the sum total of Current Values held by all Investors in the Issuer's COSIs. In the case of financial instruments in a trading currency other than the Swiss franc, the Investor's claim under this clause 11.4.5 is determined by the value of the instruments as described in clause 11.2.6.
- 11.4.6 Should the Net Realization Proceeds exceed the total Current Values held by all Investors in the Issuer's COSIs, that portion of the Net Realization Proceeds which remains after the settlement of (i) all Investor claims and (ii) any further collateralized claims under clause 4.1.3 that have not been satisfied in advance from the realization proceeds, shall be paid out to the Guarantor.
- 11.4.7 SSX shall transfer the Net Realization Proceeds in favour of the Investors to the SIX SIS Participants with discharging effect. The transfer of the pro-rata shares of the Net Realization Proceeds shall be determined by the holdings in COSIs that are booked to the Participants' accounts with SIX SIS. SSX and SIX SIS shall be liable only for the careful instruction of SIX SIS Participants. Clause 12.1 shall apply.
- 11.4.8 If the Issuer which is affected by the Maturity of their COSIs under this Framework Agreement is a participant in SIX SIS, then SSX and SIX SIS shall determine a separate procedure for the payment of the pro-rata shares of Net Realization Proceeds to those Investors who hold their COSIs via the Issuer. SSX may transfer the pro-rata shares of the realization proceeds accruing to these Investors in COSIs to one or more Participants in SIX SIS or to one or more third parties, which shall then directly or indirectly instigate payments to these Investors. Such transfer on the part of SSX releases it from any further obligation in this regard. SSX may decide at its own discretion to have the payment of the pro-rata shares of the Net Realization Proceeds to further or to all Investors in COSIs undertaken by one or more other Participants in SIX SIS or by one more third parties. In such cases SSX shall transfer the pro-rata shares of Net Realization Proceeds to these other SIX SIS Participants or to third parties and thereby discharge itself from any further obligation in this regard. In the

context of this clause 11.4.8, SSX and SIX SIS are liable only for the careful selection and instruction of another SIX SIS participant or a third party. Clause 12.1 shall apply.

- 11.4.9 Payments by SSX to Investors shall be made exclusively in Swiss francs. The payment of pro-rata Net Realization Proceeds (clauses 11.4.4 and 11.4.5) by SSX to the Investors, in accordance with clauses 11.4.7 and 11.4.8 discharges the Investors' claims against the Issuer that related to the Collateral-Secured Instruments (clause 11.4.3) in an amount corresponding to that payment. In the case of instruments in trading currencies other than the Swiss franc, the extent to which the Investors' claims against the Issuer (clause 11.4.3) are discharged pursuant to this clause 11.4.9 is determined by the exchange rates between the trading currency of the instruments in question and the Swiss franc, in accordance with clause 11.2.6. The determining date on which Investor claims are discharged under this clause 11.4.9 shall be the date on which the pro-rata shares of Net Realization Proceeds are transferred by SSX to the SIX SIS Participants or third parties in accordance with clauses 11.4.7 and 11.4.8. SSX shall announce this date publicly pursuant to clause 11.4.2.
- 11.4.10 No interest shall be paid on the Investors' claims against SSX, which correspond to their pro-rata shares of Net Realization Proceeds. SSX shall not owe any default interest to the Investor on the payment of the pro-rata share of Net Realization Proceeds, neither shall SSX be liable to the Investors for any further damages whatsoever. No other or further claims of any nature may be made against SSX, SIX SIS, the Participants of SIX SIS (clauses 11.4.7 and 11.4.8) or third parties (clause 11.4.8).
- 11.4.11 The payment of the pro-rata shares of Net Realization Proceeds to the Investors (clause 11.4.9) shall discharge any outstanding claims that SSX may have against the Guarantor in connection with the collateralization of financial instruments, as described in clause 4.1.3. This clause 11.4.11 does not affect the application of the remaining Net Realization Proceeds as laid down in clause 11.4.6 once the pro-rata shares of Net Realization Proceeds have been paid out to the Investors.

## **12. Liability**

- 12.1 The Parties shall be liable to pay damages only in the event of gross negligence or intentional misconduct. Any and all further liability for damages is hereby excluded.
- 12.2 The Issuer shall be liable to SSX and SIX SIS for any direct or indirect loss arising as a result of incorrect confirmations as per clause 16.4 or Appendix 4 to this Framework Agreement.
- 12.3 In the case of third parties engaged by SSX to value the financial instruments, SSX shall be liable only for a lack of due care in selecting and instructing the third party.

## **13. Duration, cancellation of the Agreement and liquidation of SSX or SIX SIS**

- 13.1 This Framework Agreement is concluded for an indefinite period. It may be cancelled by any Party subject to a period of notice of thirty (30) Days, effective at the end of a calendar month. Termination by one Party shall be notified in writing to the other Parties.
- 13.2 SSX shall have the right to terminate this Framework Agreement without notice should a Realization Event occur (clause 11.1.2).
- 13.3 Financial instruments which had been collateralized according to the terms of this Framework Agreement prior to its cancellation, the term of which extends beyond the date

on which the Agreement is cancelled, remain subject in full to the provisions of this Framework Agreement.

- 13.4 If FINMA orders the liquidation (bankruptcy) regarding SSX or SIX SIS according to Article 88 of the Financial Market Infrastructure Act in connection with Art. 33 of the Federal Act on Banks and Savings Banks,
- a) this Framework Agreement shall be terminated without notice, subject to clause 13.4 letter b to e;
  - b) trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making according to clause 8 shall expire with this suspension of trading;
  - c) the Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations);
  - d) the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event (clause 11.1.2) the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable;
  - e) SSX and SIX SIS shall notify the public, by announcement on their websites, of this order of FINMA, the stop of collateralization as well as the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates. In addition, SSX and SIX SIS send the announcement electronically to their respective participants and the Issuer as well as the Guarantor distribute this announcement further. There shall be no such announcement in case of occurrence of a Realization Event (clause 11.1.2).
- 13.5 Clause 13.4 prevails over clauses 1.4, 4.6.1, 11.2.9 as well as over clauses 13.1 to 13.3.

#### **14. Amendments to the Agreement**

- 14.1 Unless this Framework Agreement explicitly states otherwise, amendments or additions to this Framework Agreement shall be made in writing and shall require the written consent of all Parties. This also applies to the present clause 14.1.
- 14.2 The following requirements set out in clauses 15 to 17 for the listing prospectus and issue prospectus, the term sheet as well as documents with comparable function apply only to products that are issued during the duration of this Framework Agreement. For products issued earlier, the requirements of clauses 15 to 17 of the Framework Agreement being valid at the point in time of issuing are applicable. Necessary changes due to differing statutory or regulatory provisions remain explicitly reserved.

## **15. Requirements for the termsheet and for documents of similar function**

- 15.1 The Issuer shall integrate the following text block about the collateralization of a financial instrument into the [termsheet] that refers to the Framework Agreement being valid at the point in time of issuing and is used in the distribution of the COSI:

*Collateralization*      *[Product] (hereinafter ["COSI"]) is collateralized in accordance with the provisions of the SIX Swiss Exchange "Framework Agreement for Collateral-Secured Instruments" (hereinafter "Framework Agreement"). [The Issuer concluded the Framework Agreement on [●date] and undertakes to secure the Current Value of the [COSIs] in favor of SIX Swiss Exchange. [The Issuer concluded the Framework Agreement with [●identity] (hereinafter "Guarantor") on [●date], and the Guarantor is obliged to secure the Current Value of the [COSIs] in favor of SIX Swiss Exchange.] The rights of Investors in connection with the collateralization of the [instruments] arise from this Framework Agreement. The principles of collateralization are summarized in an [Information Sheet] issued by SIX Swiss Exchange. This [Information Sheet] is available from the [www.six-group.com/exchanges](http://www.six-group.com/exchanges) website. The Issuer shall, upon request, provide the Framework Agreement to Investors free of charge in the original German version or as an English translation. The Framework Agreement may be obtained [via/from]. The [termsheet] refers to the Framework Agreement being valid at the point in time of issuing.*

- 15.2 The Issuer shall also integrate the [termsheet] text block that is reproduced in clause 15.1 in documents with a comparable function (such as indicative termsheets and information memoranda).

- 15.3 The Issuer is not permitted to amend, delete or add to the text block given in clause 15.1. The Issuer is also forbidden to integrate any further statements on the collateralization of a certificate in the [termsheet]. Clause 15.4 and clause 17 remain reserved. The term "structured product" may be used.

- 15.4 In the [termsheet], the Issuer shall inform Investors that [COSIs] do not constitute collective investment schemes in the sense of the Federal Collective Investment Schemes Act (CISA) and that, as a result, the [certificates] are not subject to mandatory authorization and supervision by the Swiss Federal Financial Market Supervisory Authority (FINMA).

## **16. Requirements for the listing prospectus and the issuing prospectus**

- 16.1 The Issuer shall integrate the following text block about the collateralization of a certificate in a separate [clause] of the listing prospectus:

### ***Collateralization of the [product]***

*[Product] (hereinafter ["COSI"]) is collateralized in accordance with the terms of the SIX Swiss Exchange "Framework Agreement for Collateral Secured Instruments". [●] ("Collateral Provider") undertakes to secure the value of the [COSI] at any given time as well as the further claims listed in the Framework Agreement.*

*Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The [COSI] and the collateral shall be valued*

on each Banking Day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform Investors about the collateral that is permitted as security for the [COSI] at any given time. The Collateral Provider shall pay SIX Swiss Exchange a Fee for the service regarding the collateralization of the [COSI]. A change of Collateral Provider shall be notified in accordance with the provisions of this [listing prospectus].

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

**Documentation.** The collateralization in favour of SIX Swiss Exchange is based on the “Framework Agreement for Collateral Secured Instruments” between SIX Swiss Exchange, SIX SIS, the issuer and the [Collateral Provider] dated [date] (“Framework Agreement”). The Investor is not party to the Framework Agreement. **The Framework Agreement constitutes an integral part of this [listing prospectus].** In the event of any contradiction between the provisions of this [listing prospectus] and the Framework Agreement, the Framework Agreement takes precedence. The issuer shall, upon request, provide the Framework Agreement to Investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained [at/from]. The core elements of collateralization of the [COSI] are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-group.com/exchanges](http://www.six-group.com/exchanges)”.

**Collateralization method.** The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter “Current Value”). The Current Values shall be determined in the trading currency of the [COSI] and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each [COSI] upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the [COSI]. If prices for the [COSI] calculated by third parties are available (so-called “Fair Values”), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the “bond floor pricing”, as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a [COSI] that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the [COSI]. If the final bid-side purchase price of the [COSI] on the previous trading Day on SIX Swiss Exchange Ltd. is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for [COSI] are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the [COSI] shall be determined exclusively in accordance with the provisions of the “Special Conditions for Collateral Secured Instruments” of SIX Swiss Exchange. The Current Value of [product] shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method]

*of these Special Conditions of SIX Swiss Exchange [including the respective accrued interest].*

**Distribution and market making.** *The distribution of the [COSI] shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the [COSI] is in place.*

*If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.*

**Risks.** *Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the Investors' claims. The Investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the [COSI] rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of [COSI] in a foreign currency according to the Framework Agreement may result in losses for the Investor because the Current Value (determinant for the Investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the Investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the Investors in [COSI].*

**Liquidation of collateral.** *If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by SIX Swiss Exchange or a liquidator under the terms of the applicable legal regulations. The collateral may be liquidated ("Liquidation Events") if (i) the Collateral Provider fails to furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) Banking Days; (ii) the issuer fails to fulfill a payment or delivery obligation under a [COSI] upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfillment of such obligations is defective, unless any such defect is remedied within three (3) Banking Days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive Banking Days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the [COSI] to trading lapses or is cancelled and the issuer fails*

to satisfy Investors' claims according to the issuing conditions of the [COSI] within thirty (30) Banking Days of the lapse or cancellation of the provisional admission; or (viii) the [COSI] are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy Investors' claims according to the issuing conditions of the [COSI] within thirty (30) Banking Days of the last trading Day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

**Determination of a Liquidation Event.** SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the Investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

**Procedure in case of a Liquidation Event.** If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all [COSI] of the issuer may be suspended, and the [COSI] of the issuer may be delisted.

**Maturity of the [COSI] as well as Investors' claims against SIX Swiss Exchange and the issuer.** All of the issuer's [COSI] under the Framework Agreement shall fall due for redemption thirty (30) Banking Days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website. **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the [COSI] have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a [COSI] by an Investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the [COSI]. In dealings with SIX Swiss Exchange and SIX SIS, the Investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the courts in Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all [COSI] of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the Investors. **Investors' claims against the issuer** will be based on these Current Values when the [COSI] mature in accordance with the Framework Agreement. The Current Values of the [COSI] on the Banking Day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the [COSI].

**Costs of liquidation and payout for the benefit of the Investors.** The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting Fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flat-rate Fee of 0.1 percent from the

*entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the Investors in [COSI] of the issuer.*

*SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to Investors to SIX SIS Participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of [COSI] that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its [COSI], is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those Investors who hold their [COSI] via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these Investors to one or more other SIX SIS Participants or to one or more third parties, which will attend to the payment to Investors in [COSI] either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all Investors in [COSI] conducted by one or more other SIX SIS Participants or by one or more third parties.*

*The payouts to Investors are made exclusively in Swiss francs. The claim of the Investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.*

*The maximum claim of an Investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his [COSI]. Should the combined Current Values of all Investors in the issuer's [COSI] exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual Investors will be made according to the ratio between the total Current Values held by individual Investors and the total Current Values accruing to all Investors in [COSI] of the issuer.*

*In the case of [COSI] in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the Investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the Banking Day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of [COSI] of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to Investors in such [COSI] and shall have no further effect on the relationship between the Investor and the issuer. SIX Swiss Exchange shall make public these values of the [COSI] as well as the applicable exchange rates.*

*The Investors' claims against the issuer arising from the [COSI] are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of [COSI] of a different trading currency than the Swiss franc the reduction amount of the claim of the Investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the [COSI] to the Swiss franc applicable on the Banking Day immediately preceding the date on which the Liquidation Event occurred.*

*No further Investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for [COSI] under the terms of the Framework Agreement.*

**Secondary listing.** *Apart from the primary listing of the [COSI] on SIX Swiss Exchange the issuer may apply for a listing or admission to trading on one or more secondary exchanges. All aspects and events related to listing or admission to trading of the [COSI] on a secondary exchange shall be disregarded under the Framework Agreement. In particular, prices of the [COSI] on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the [COSI] on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the [COSI] from a secondary exchange, shall not be deemed a Liquidation Event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a Liquidation Event and the maturity of the [COSI] pursuant to the Framework Agreement in the countries where a listing or admission to trading of the [COSI] on a secondary exchange is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.*

**Liability.** *The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of [COSI], in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of [COSI] is made via SIX SIS Participants to the extent these Participants hold the [COSI] in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS Participants. If the payment is made via third parties or via SIX SIS Participants in respect of [COSI] that are not booked to these Participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.*

**No authorisation.** *[COSI] do not constitute collective investment schemes pursuant to the Federal Act on Collective Investment Schemes (CISA). They do not require authorization or supervision by the Swiss Financial Market Supervisory Authority FINMA.*

**Congruence with the [listing prospectus].** *This [clause 16.1] corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the [listing prospectus]: [To be completed by the issuer: A concordance table or explanations from the issuer on any terminological differences between the SIX Swiss Exchange standard text and the way in which terms are used in the other paragraphs of the [listing prospectus]]. The provisions of this [clause 16.1] take precedence in the event of contradiction between this [clause 16.1] and the other content of the [listing prospectus].*

[Alternatively, the issuer may use the following wording for the last paragraph of clause 16.1:] **Congruence with the [listing prospectus].** *This [clause 16.1] corresponds to the SIX Swiss Exchange standard text. The provisions of this [clause 16.1] take precedence in the event of contradiction between this [clause 16.1] and the other content of the [listing prospectus].*

- 16.2 It is mandatory that the text block reproduced in clause 16.1 be used with one of the two standard "Congruence with the [listing prospectus]" texts. The Issuer is not permitted to amend, delete or add to the text block given in clause 16.1. The Issuer is also forbidden to integrate any further statements on the collateralization of a certificate in the listing prospectus. Clause 17 remains reserved. The term "structured product" may be used.

- 16.3 The text block reproduced in clause 16.1 shall also be integrated in the listing prospectus for a COSI, as well as in each document with a comparable function, irrespective of whether the COSI is based on a stand-alone prospectus, a pricing supplement to an issuance program, or a comparable document.
- 16.4 For each COSI, the Issuer shall provide the confirmations reproduced in Appendix 4 to SSX and SIX SIS. The Issuer shall submit this duly signed declaration to SIX Exchange Regulation when it submits the listing prospectus.

**17. Additional text modules for the documentation on Collateral-Secured Instruments**

- 17.1 In addition to the mandatory text blocks prescribed in clauses 15 and 16, the Issuer may also include the following modules of text in the relevant documents. In the documents stipulated in clauses 15 and 16, the text modules set out in clauses 17.2 to 17.6 may be reproduced in the same clause as the text blocks prescribed in clauses 15 and 16, or in another location. The Issuer may choose to use the text modules set out in clause 17 individually, in any combination, or in their entirety. The text modules stipulated in this clause 17 may be used in the documents specified in clause 15 and/or those specified clause 16, as the Issuer wishes. Clause 9.2.2 remains reserved.
- 17.2 *The costs for the service provided by SIX Swiss Exchange with respect to the collateralization of [COSI] may be taken into account in pricing a [COSI] and may therefore be borne by the Investors, as the case may be.*
- 17.3 *With regard to the payment of the pro-rata share of the Net Realization Proceeds the Investor shall bear the solvency risks of SIX Swiss Exchange and the financial intermediaries along the payout chain.*
- 17.4 *The payment to the Investors may be delayed for factual or legal reasons.*
- 17.5 *To the extent the calculation of the Current Value of a [COSI] proves to be incorrect, the Collateral provided for the [COSI] may be insufficient.*
- 17.6 *Apart from the primary listing of the [COSI] on SIX Swiss Exchange the issuer may apply for a listing or admission to trading on one or more secondary exchanges. All aspects and events related to a listing or admission to trading of the [COSI] on a secondary exchange shall be disregarded under the Framework Agreement. In particular, events which are related to a listing or admission to trading of the [COSI] on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the [COSI] from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the [COSI] pursuant to the Framework Agreement in the countries where a listing or admission to trading of the [COSI] on a secondary exchange is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.*
- 17.7 The Issuer may not make any changes, deletions or additions to the individual text modules set out under clause 17. Furthermore, notwithstanding clauses 15 and 16, the Issuer may not integrate any statements on the collateralization of financial instruments that are not set out under clause 17 into the documents listed in clauses 15 or 16. The term "structured product" may be used in the context of the text modules laid down in this clause 17.

**18. General provisions**

- 18.1 Appendices 1 to 7 to this Framework Agreement, as well as the SSX Rules and the SIX SIS Rules and Regulations shall constitute an integral part of this Framework Agreement. SSX shall be entitled to amend Appendices 1, 3, 4, 6 and 7 to this Framework Agreement, such amendments being effective for the other Parties. Amendments enter into effect thirty (30) Days after they have been announced. Changes to the SSX Rules and the SIX SIS Rules and Regulations shall be subject to the provisions of those Rules and Regulations.
- 18.2 The Issuer and Guarantor shall report any change in contact details, as per Appendix 5, immediately to SSX.
- 18.3 SSX may amend the text blocks defined in clauses 15 and 16 to changing circumstances without the approval of the other parties, provided such amendments are not associated with any significant changes in the rights and obligations of the Parties under this Framework Agreement. SSX may amend, expand or reduce the additional text modules under clause 17 at any time.
- 18.4 The set-off of claims by the Issuer or the Guarantor under this Framework Agreement shall require the prior written consent of the Parties affected by such set-off in the individual case in question.
- 18.5 This Framework Agreement shall be deemed established as soon as it has been signed by all the Parties.
- 18.6 Unless expressly stipulated otherwise in this Framework Agreement, the assignment by the Issuer or the Guarantor of (i) individual rights and obligations arising from this Framework Agreement and (ii) this Framework Agreement in its entirety, shall require the written consent of all Parties.
- 18.7 SSX shall be entitled, without the consent of the other Parties to this Framework Agreement, to assign the claim for which the Guarantor must provide Collateral (clause 4.1.3), including the attendant security interest, and/or some or all of the Collateral to other SIX Group companies.
- 18.8 Furthermore, SSX and SIX SIS shall be entitled, without the consent of the other Parties to this Framework Agreement, to assign individual rights and obligations arising from this Framework Agreement, or this Framework Agreement in its entirety, to one or more third parties.
- 18.9 Should one or more of the provisions of this Framework Agreement be wholly or partially invalid, ineffective, or unenforceable for any other reason, the validity of the other provisions of this Framework Agreement shall remain unaffected. The invalid, ineffective or unenforceable provision shall be replaced by a valid, effective or enforceable provision that reflects as closely as possible the original intention of the Parties and the invalid, ineffective or unenforceable provision. This rule applies by analogy to any gaps or loopholes in this Framework Agreement.
- 18.10 The non-exercise or delayed exercise of a right under this Framework Agreement shall not be deemed a waiver of the exercise of that right, and the partial exercise of a right shall not rule out any further or other exercise of that right. Furthermore, the exercise of an individual right shall not rule out the exercise of another right.
- 18.11 Any reference in this Framework Agreement to a given clause relates to a clause in this Framework Agreement.

## 19. Definitions

19.1 Should there be any discrepancy between the terminology used in the above clauses 1 to 18 of this Framework Agreement and the following definitions given under clauses 19.2 to 19.26, the terminology used in the individual clauses 1 to 18 shall take precedence.

Keyword	Definition
19.2 Current Value	The value of a Collateral-Secured Instrument in its particular trading currency, as determined by SSX at a given point in time on the basis of the "Special Provisions Governing Collateral-Secured Instruments" (clauses 4.1 and 11.2.5).
19.3 Other SIX SIS Participant(s)	SIX SIS Participants to which a pro-rata share of Net Realization Proceeds is transferred in accordance with clause 11.4.8, without this/these participant(s) having a corresponding holding of Collateral-Secured Instruments.
19.4 Investors	Investors in Collateral-Secured Instruments that are subject to this Framework Agreement.
19.5 Banking Day	Any Day on which business offices in Zurich (Switzerland) are open for the conclusion and settlement of collateralization transactions under this Framework Agreement.
19.6 Collateral Value	The sum of the Current Values of all of the financial instruments for which a Guarantor must provide Collateral under this Framework Agreement, expressed in Swiss francs.
19.7 Issuer	The Party designated as the Issuer on the cover page of this Framework Agreement.
19.8 [Intentionally left blank]	
19.9 Maturity	The Maturity date of the Collateral-Secured Instruments under this Framework Agreement (clause 11.4.1), giving rise to a claim on the part of the Investors to the payment of pro-rata shares of Net Realization Proceeds (clauses 1.4 and 4.2.6).
19.10 Fee	Remuneration in favour of SSX under this Framework Agreement, as set out in clause 7.
19.11 Haircut	A Haircut reduces the attributable value of Collateral and is expressed as a percentage. It is used to hedge the price risk attached to Collateral. The figure attributed to the Collateral as its Collateral Value constitutes the market value (100%) minus the Haircut.
19.12 [Intentionally left blank]	

Framework Agreement for Collateral-Secured Instruments (COSI)  
Version 1/2019 with Swiss guarantors

19.13 Information Sheet	The Information Sheet on Collateral-Secured Instruments, in accordance with the document issued by SSX. The latest version at any given time can be accessed via <a href="http://www.six-group.com/exchanges">www.six-group.com/exchanges</a> .
19.14 Margin Call	Communication to the Guarantor that a shortfall in the cover used in the collateralization of financial instruments must be remedied by the delivery of additional Collateral.
19.15 Margin Return	A transaction undertaken to balance an excess in the cover used in the collateralization of financial instruments.
19.16 Margin Threshold	A threshold figure of CHF 100,000. A Margin Call/Return is triggered if this figure is exceeded.
19.17 Net Realization Proceeds	The proceeds from the realization of Collateral, as laid down in clause of this Framework Agreement, that is available for payment to the Investors.
19.18 Collateral-Secured Instruments (COSIs)	Certificates that are collateralized under this Framework Agreement.
19.19 Framework Agreement	The present Framework Agreement for Collateral-Secured Instruments, including Appendices 1 to 5 and the rules and regulations to which the Framework Agreement refers (clause 18.1).
19.20 SSX Rules	The CONNEXOR® Listing license agreement, the CONNEXOR® Listing provisions and the SSX "Special Provisions Governing Collateral-Secured Instruments", and the SSX "Special Provisions for the Internet-Based Admission of Securities".
19.21 SIX SIS Rules and Regulations	The SIX SIS Service Contract, the SIX SIS COSI ServiceGuide, the General Terms and Conditions of SIX SIS, and those rules and regulations referred to in the General Terms and Conditions of SIX SIS.
19.22 Collateral	Assets in the form of intermediated securities, certificated securities and uncertificated securities as set out in Appendix 2 to this Framework Agreement that the Guarantor provides for the collateralisation of certificates in favour of SSX.
19.23 Guarantor	The Party designated as the Guarantor on the cover page of this Framework Agreement, or a new Party to this Framework Agreement that has assumed the function of the previous Guarantor (clause 4.10).
19.24 SIX Group	All companies controlled directly or indirectly by SIX Group Ltd.
19.25 Day	Calendar Day
19.26 Realization Event	Event as described in clause 11.1.2 of this Framework Agreement.

## **20. Languages**

- 20.1 The Framework Agreement, Information Sheet and text blocks laid down in clauses 15 and 16, as well as the text modules according to clause 17, may be used only in the language versions provided by SSX. Should the Issuer intend to inform clients in another language, the full wording of a translation in that language must be approved in advance by SSX. The Framework Agreement may be given to interested persons only if it contains the approved wording (clause 2.4). The costs incurred by SSX, including the costs of external consultants, shall be borne in full by the Issuer.
- 20.2 This Framework Agreement is made available by SSX in a German original version and as an English translation. The wording of the original German version takes precedence over that of any other language version.

## **21. Applicable law and place of jurisdiction**

- 21.1 This Framework Agreement and all collateralizations of financial instruments agreed and effected on the basis of this Framework Agreement shall be subject to **Swiss law** to the exclusion of the rules of international private law.
- 21.2 The courts in **Zurich (Switzerland)** shall have exclusive jurisdiction over any disputes arising from this Framework Agreement.
- 21.3 SSX and SIX SIS shall nonetheless be authorized additionally to enforce their rights at the domicile of the Issuer, the Guarantor or before any other competent authority or before any other competent court. Swiss law shall remain applicable exclusively in all such cases.

## **22. Beginning of Agreement, Annulment of Previous Agreement and Continuation of Collateral-Secured Certificates and Collateral**

- 22.1 This Framework Agreement is applicable as per 1 January 2019. The duration of agreement is governed by clause 13.
- 22.2 The previous Framework Agreement shall be annulled with the entry into force of the present Framework Agreement (clause 22.1)
- 22.3 The Collateral-secured Instruments and Collateral being covered by the previous Framework Agreement and having already existed before the conclusion of the this Framework Agreement shall continue to exist and be governed by the provisions of this Framework Agreement. Clause 14.2 remains reserved.

**SIX Swiss Exchange Ltd**

**SIX SIS Ltd**

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\_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**[Issuer]**

**[Guarantor]**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Appendices**

[Intentionally left blank]

**Appendix 1 to the framework agreement for Collateral-Secured Instruments**

The financial instruments which may be collateralized in accordance with the Framework Agreement are subject to the following restrictions.

- 1) The term of a Collateral-secured instrument shall be no longer than ten (10) years.
- 2) Eligible trading currencies are:

Currency	Abbreviation
Swiss francs	CHF
Euros	EUR
British pounds	GBP
Japanese yen	JPY
US dollars	USD

Additional trading currencies shall be approved on request by Issuers. SSX shall make any such decisions at its own discretion.

- 3) In the case of financial instruments with a fair value that is subject to Method A of the "Special Provisions Governing Collateral-Secured Instruments", eligible underlyings are restricted to those for which a price is available via SIX Financial Information, Reuters or Bloomberg.

## Appendix 2 to the framework agreement for Collateral-Secured Instruments

The following Collateral may be provided for the collateralization of financial instruments:

Categories of Collateral <sup>1</sup>	Applicable attributable value <sup>5</sup>
Collateral accepted by the SNB <sup>1, 2</sup>	98%
Collateral accepted by the ECB <sup>1</sup>	95%
SIX Delta eligible collateral <sup>1, 3</sup>	95%
Equities <sup>1, 4</sup>	90%

<sup>1</sup> SSX shall determine at its own discretion which Collateral from the categories mentioned above may be provided for the collateralization of financial instruments. The selection by SSX of specific Collateral from the different categories of Collateral stated above does not constitute an amendment to this Appendix 2 (clause 18.1 of the Framework Agreement). ECB is the acronym for the "European Central Bank".

<sup>2</sup> In accordance with the "Instruction sheet on Collateral eligible for SNB repos" issued by the Swiss National Bank (SNB) that is valid at any given time.

<sup>3</sup> Rule-based category of collateral of SSX, with sole application of the admission criteria valid until the end of 2014 according to the "Instruction sheet on Collateral eligible for SNB repos", excluding Collateral being already accepted by the SNB or the ECB.

<sup>4</sup> The securities must be included in a recognized share index that sets acceptance criteria intended to ensure sufficient market liquidity.

<sup>5</sup> Where Collateral is included in various categories, the lowest "Applicable attributable value", as stated in the above table, shall apply.

Not permitted as Collateral are issues (i) from companies in which a Party to this Framework Agreement directly or indirectly holds at least 20% of the share capital or voting rights; or (ii) from companies which have an equivalent holding in a Party to this Framework Agreement; (iii) of a Party's own shares and (iv) issues in which a Party to this Framework Agreement is the debtor. Compliance with this provision is the sole responsibility of the Guarantor.

Where one currency must be translated into another, the exchange rate laid down in the SIX SIS Rules and Regulations shall apply.

SSX shall be entitled but not obliged (i) to demand that the Guarantor substitute Collateral immediately should the composition of the Collateral that is provided no longer be appropriate and (ii) to temporarily lower the attributable values in the amount of maximum 4% regarding the category of collateral "Equities" as well as maximum 2% regarding the other categories of collateral in case of an increased level of volatility.

Further details on Collateral for Collateral-Secured Instruments can be found in the Rules and Regulations of SIX SIS.

### **Appendix 3 to the framework agreement for Collateral-Secured Instruments**

#### **COSI® - Collateral Secured Instruments**

##### **Investing with a minimum of issuer risk**

In principle, structured products are only available in the legal form of a bearer debenture. The disadvantage in this regard is that investors incur not only the market risk associated with any type of investment, but also an issuer-related default risk. Just how significant that risk is depends on the creditworthiness of the issuer. If the issuer is unable to meet its payment obligations, the investor's capital is in jeopardy. In the event of the issuer's insolvency, the investor can even suffer a total loss. This is where COSIs come in: thanks to the collateralization of the so called current value of the structured product the risk of default of the issuer is minimized .

**SIX Swiss Exchange Ltd in collaboration with SIX SIS Ltd offers issuers a service for the collateralization of certificates. By this procedure, the current value of a so called Collateral Secured Instrument ("COSI") is secured by a collateral provider (guarantor) in favour of SIX Swiss Exchange Ltd. The collateralization is based on the "Framework Agreement for Collateral Secured Instruments" (hereinafter the "Framework Agreement"), which the issuer and the collateral provider conclude with SIX Swiss Exchange Ltd and SIX SIS Ltd. Investors are not parties to the Framework Agreement. However, the Framework Agreement is of significance to the legal position of the investors in the event of a liquidation of collateral.**

**If certain events defined in the Framework Agreement occur (so-called liquidation events), the collateral will be liquidated. Upon the occurrence of a liquidation event, the COSI shall become due and payable within a certain time period. At that point in time, investors' claims against SIX Swiss Exchange Ltd for the payment of their pro-rata share of the net liquidation proceeds of the collateral arise automatically. Investors have no further claims against SIX Swiss Exchange Ltd or SIX SIS Ltd.**

**At their request, investors may obtain from the issuer a free of charge copy of the Framework Agreement in German or as an English translation. Other rules and regulations of SIX Swiss Exchange Ltd and SIX SIS Ltd pertaining to the collateralization of certificates can be accessed at [www.six-group.com/exchange-services](http://www.six-group.com/exchange-services).**

**This information sheet does not contain a complete description of the investor's legal position, but instead provides a simplified overview of the collateralization of certificates. The legal position of an investor in COSI is determined solely by the provisions of the Framework Agreement. In the event of contradictions between the provisions of the Framework Agreement and this information sheet, the Framework Agreement takes precedence.**

**Neither the conclusion of the Framework Agreement nor the collateralization of a certificate constitute a value judgement on the part of SIX Swiss Exchange Ltd or SIX SIS Ltd with regard to the issuer, the collateral provider or a COSI. The distribution of COSI is the responsibility of the issuer.**

**COSI do not constitute collective investment schemes pursuant to the Federal Act on Collective Investment Schemes (CISA). They do not require authorization or supervision by the Swiss Financial Market Supervisory Authority FINMA.**

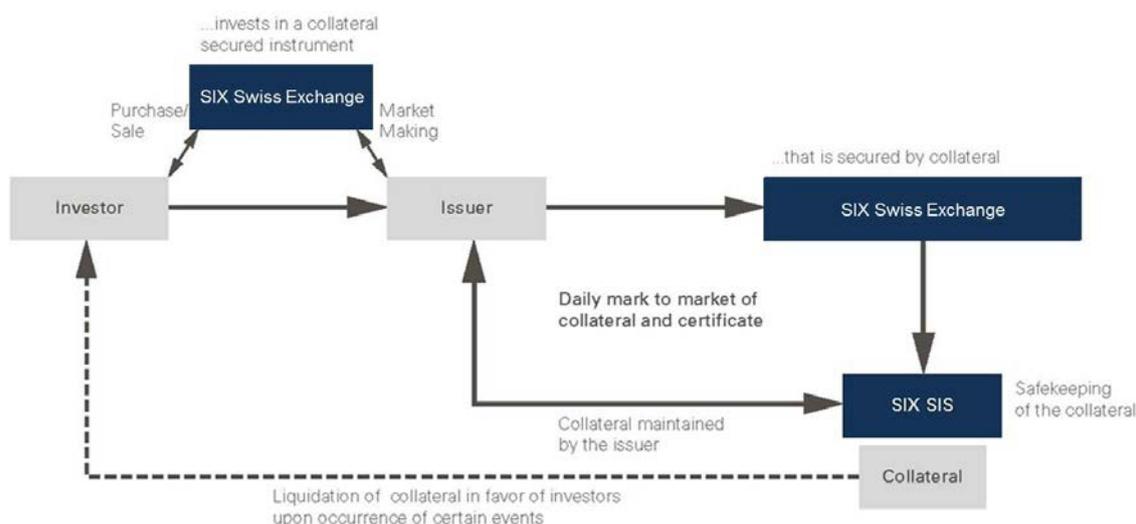
**This information sheet pertains only to certificates that are collateralized within the scope of the service rendered by SIX Swiss Exchange Ltd and SIX SIS Ltd.**

## 1) What is the collateralization of certificates all about?

Certificates are bearer debt instruments (claims). The investor who purchases a certificate incurs a default risk, the level of which depends on the solvency of the issuer. The insolvency of the issuer may lead to a total loss by the investor. In order to minimize this risk, SIX Swiss Exchange Ltd in collaboration with SIX SIS Ltd offers a service for the collateralization of certificates. The collateralization is based on the “Framework Agreement for Collateral Secured Instruments” (“Framework Agreement”), which the issuer and the collateral provider (guarantor) conclude with SIX Swiss Exchange Ltd and SIX SIS Ltd. Based on the Framework Agreement, the collateral provider undertakes to grant SIX Swiss Exchange Ltd a right of lien on selected securities (intermediated securities, certificated securities and uncertificated securities). The so called COSI and the collateral are valued on each banking day. The collateral provider is obliged to adjust the level of the collateralization to any changes in value.

Investors do not themselves have a surety right to the collateral. However, the collateralization works in their favour in so far as the collateral shall be liquidated upon the occurrence of certain events as defined in the Framework Agreement (liquidation events) and the net proceeds of the liquidation of the collateral are distributed proportionately among the investors.

The service offered by SIX Swiss Exchange Ltd and SIX SIS Ltd can be depicted as follows:



## 2) Which certificates can be collateralized?

The service of SIX Swiss Exchange Ltd and SIX SIS Ltd facilitates the collateralization of certificates that are listed on SIX Swiss Exchange Ltd and traded on SIX Swiss Exchange Ltd. Possible trading currencies for COSI are, among others, Swiss franc (CHF), Euro (EUR), British pound (GBP), Japanese yen (JPY) and US dollar (USD). Condition for collateralization is the availability of relevant prices (fair market price, bond floor and/or required capital-protection level) for the COSI. The term to Maturity of the COSI may not exceed ten years.

The issuer undertakes to ensure that market making for the COSI is in place for the entire period during which the COSI are admitted to trading; bid prices for COSI must be posted continually in the secondary market.

### **3) How does the collateralization of certificates work?**

The collateral provider undertakes to secure the so called current value of the COSI in favour of SIX Swiss Exchange Ltd. The collateralization shall take the form of a conventional right of lien. Investors do not themselves have a surety right to the collateral. The collateral is booked into an account of SIX Swiss Exchange Ltd with SIX SIS Ltd. There is no allocation of collateral to specific issues of COSI. It is compulsory that the collateralization be properly maintained during the entire term of the COSI. Partial collateralization of a given issue is not possible.

Should the value of the collateral fall below the total current values of all the COSI, the collateral provider is obliged to make the additional collateral available on the same Day. A duty to provide additional collateral by the collateral provider is triggered when the current values of the COSI increase or the value of the collateral decreases. Where the value of the collateral increases or the current value of the COSI decreases, SIX Swiss Exchange Ltd shall return to the collateral provider collateral equivalent to the excess collateralization.

The Framework Agreement constitutes the legal basis for the collateralization. In keeping with its provisions, the Framework Agreement is concluded for the benefit of investors in the COSI. The Framework Agreement is a so-called genuine contract in favour of third parties in accordance with Article 112 of the Swiss Code of Obligations.

### **4) How is the actual amount of collateralization determined?**

The amount of collateralization depends on the current values of the COSI. The method for calculating the current value shall be determined for each COSI upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI. The issuer shall disclose in the listing prospectus according to which of the methods described below (A or B) the current value of the COSI shall be calculated. The current values shall be determined in the trading currency of the COSI on each banking day. On that basis, the necessary level of collateralization shall be expressed in Swiss francs.

The rules for determining the effective current values are based on SIX Swiss Exchange Ltd's "Special Provisions governing Collateral Secured Instruments". Specifically, the current values of COSI are calculated as follows:

**Method A: Fair value procedure**

The fair value procedure is essentially based on prices for the certificates as calculated by third parties (so-called “fair values”) in as far as such prices are available, which are taken into account in the determination of the current values of the COSI according to the following rules.

Scenario no.	CBP <sup>1</sup>	FV1 <sup>2</sup>	FV2 <sup>3</sup>	PCP <sup>4</sup>	Current value of the certificate corresponds to
1	-	-	-	-	ISP <sup>5</sup>
2	-	-	-	x	PCP
3	-	-	x	-	ISP or FV2 depending on which value is greater
4	-	x	-	-	ISP or FV1 depending on which value is greater
5	x	-	-	-	ISP or CBP depending on which value is greater
6	-	-	x	x	FV2 or PCP depending on which value is greater
7	-	x	-	x	FV1 or PCP depending on which value is greater
8	x	-	-	x	CBP or PCP depending on which value is greater
9	-	x	x	-	FV1 or FV2 depending on which value is greater
10	x	-	x	-	CBP or FV2 depending on which value is greater
11	x	x	-	-	CBP or FV1 depending on which value is greater
12	-	x	x	x	FV1 or FV2 depending on which value is greater
13	x	-	x	x	CBP or FV2 depending on which value is greater
14	x	x	-	x	CBP or FV1 depending on which value is greater
15	x	x	x	-	If CBP is lower than FV1 and FV2, then FV1 or FV2 depending on which of these two values is lower; if CBP is equal to or greater than FV1 and/or FV2, it is always CBP
16	x	x	x	x	If CBP is lower than FV1 and FV2, then FV1 or FV2 depending on which of these two values is lower; if CBP is equal to or greater than FV1 and/or FV2, it is always CBP

### Method B: Bond floor procedure

The bond floor procedure is based on the following rules for determining the bond floor in accordance with the specifications of the Federal Tax Administration in Bern (hereinafter, “bond floor”).

Scenario no.	CBP <sup>1</sup>	PCP <sup>4</sup>	BFP <sup>6</sup>	Current value of the certificate corresponds to
17	-	-	-	ISP
18	-	x	-	PCP
19	-	-	x	ISP or BFP depending on which value is greater
20	x	-	-	CPL <sup>7</sup> or CBP depending on which value is greater
21	x	-	x	BFP or CBP depending on which value is greater
22	x	x	-	CPL or CBP depending on which value is greater
23	-	x	x	BFP or PCP depending on which value is greater
24	x	x	x	BFP or CBP depending on which value is greater

Abbreviations used in the foregoing tables:

<sup>1</sup> The closing bid price for the COSI on SIX Swiss Exchange Ltd of the previous trading Day

<sup>2</sup> the first fair value of the COSI as calculated by a third party on the basis of the underlying securities' closing prices of the previous trading Day

<sup>3</sup> the second fair value of the COSI as calculated by a third party on the basis of the underlying securities' closing prices of the previous trading Day

<sup>4</sup> the current value of the COSI as determined in accordance with method A or B on the previous trading Day

<sup>5</sup> the original issue price of the COSI

<sup>6</sup> the bond floor price for the COSI on the previous trading Day as determined by SIX Financial Information Ltd in accordance with the specifications of the Federal Tax Administration, Berne (Switzerland)

<sup>7</sup> the capital protection level according to the COSI's redemption provisions

A value available for the given Day is indicated with (x); an unavailable value is expressed by (-).

### 5) Which companies calculate the current values of COSI?

At present, the current values of COSI are determined by the following companies:

- Derivative Partners AG, Zurich/Schweiz ([www.derivativepartners.com](http://www.derivativepartners.com))
- Solvians Switzerland AG, Baar/Schweiz ([www.solvians.com](http://www.solvians.com))
- vwd group Switzerland AG, Zurich/Schweiz ([www.vwd.com](http://www.vwd.com))
- swissQuant Group AG, Zurich/Schweiz ([www.swissquant.ch](http://www.swissquant.ch))
- SIX Financial Information AG, Zurich ([www.six-financial-information.com](http://www.six-financial-information.com)), which is mandated by the Federal Tax Administration to calculate the bond floor price on a daily basis

## **6) What type of collateral is accepted for the collateralization of certificates?**

Collaterals from the following categories are acceptable for the collateralization of certificates:

- Securities accepted by the Swiss National Bank with regard to repo transactions;
- Securities accepted by the European Central Bank;
- Shares that are represented in recognized stock indices, the acceptance criteria of which must ensure that the shares have sufficient market liquidity.

SIX Swiss Exchange Ltd selects the permissible forms of collateral from these categories on an ongoing basis.

Not permissible as collateral are (i) securities of companies in which the issuer or the collateral provider directly or indirectly hold at least twenty percent of the share capital or voting rights; or (ii) securities of companies that themselves have interests or voting rights in the issuer or the collateral provider in such an amount; (iii) shares of the issuer or the collateral provider; and (iv) issues for which the issuer or the collateral provider act as borrower.

Depending on the type of collateral, certain margins are applied (so-called haircuts) which are provided for in the Framework Agreement. The relevant value of the securities used for collateralization is calculated on the basis of their market value less the counter value of the margin.

## **7) Is it possible to change the collateral provider?**

A change in the collateral provider is possible. For this purpose, the new collateral provider must become a party to the issuer's Framework Agreement. The accession will take effect upon its approval, provided that the issuer's COSI are completely collateralized by the new collateral provider. Under this condition, the new collateral provider assumes the function of the previous collateral provider.

## **8) Which events can lead to a liquidation of the collateral?**

Upon the occurrence of certain events, the collateral will be liquidated. A liquidation event arises in particular if and when:

- the collateral provider fails to provide the required collateral, fails to do so in due time or if the collateral provided is not free from defects, unless any such defect is remedied within three banking days;
- the issuer fails to fulfil a payment or delivery obligation under a COSI upon maturity according to the issuing conditions, fails to do so in due time or if its fulfilment of such obligations is defective, unless any such defect is remedied within three banking days;
- the Swiss Financial Market Supervisory Authority FINMA (Berne/Switzerland) orders protective measures with regard to the issuer or the collateral provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or liquidation (winding-up proceedings) pursuant to the provisions of the Federal Act on Banks and Savings Banks;
- a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with the aforementioned FINMA measures;
- the market making obligation for the COSI is breached for ten consecutive banking days;
- the collateral provider's participation at SIX SIS Ltd ceases;

- the provisional admission of the COSI to trading lapses or is cancelled and the issuer fails to satisfy the investors' claims within thirty banking days of the lapse or cancellation of the provisional admission; or
- the COSI are delisted at the request of the issuer or for some other reason and the issuer fails to satisfy the investors' claims within thirty banking days of the last trading day.

The Framework Agreement provides for the exact time at which each liquidation event occurs. SIX Swiss Exchange Ltd is under no obligation to investigate the occurrence of a liquidation event. In determining the occurrence of a liquidation event, SIX Swiss Exchange Ltd bases its decision on reliable sources of information only. SIX Swiss Exchange Ltd shall determine with binding effect whether an incident qualifies as a liquidation event and at what point in time a liquidation event occurred.

#### **9) Collateralized certificates with reference bonds: factors to consider**

A certificate (whether collateralized or not) may be structured in such a way that, among other factors, repayment of the certificate and preservation of its value are largely dependent on a reference bond and, by extension, indirectly on its issuer as well. Collateralization of the certificate (COSI) only minimizes the issuer-related default risk, but has no influence on any default or repayment events in respect of the obligor of the reference bond or in respect of risks associated with the reference bond per se (e.g. the obligor of the reference bond being declared bankrupt or insolvent, payment default, restructuring, or early repayment of the reference bond in part or in full).

#### **10) What are the effects of a listing or admission to trading of the COSI on a secondary exchange?**

Apart from the primary listing of the COSI at SIX Swiss Exchange Ltd the issuer may apply for a listing or admission to trading on one or more secondary exchanges. All aspects and events related to a listing or admission to trading of the COSI on a secondary exchange shall be disregarded under the Framework Agreement. In particular, the prices of the COSI quoted on the secondary exchanges shall not be taken into account for the determination of the current values of the COSI and events which are related to a listing or admission to trading of the COSI on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange Ltd is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI pursuant to the Framework Agreement in the countries where a listing or admission to trading of the COSI on a secondary exchange is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

#### **11) What happens in the case of a liquidation event?**

If a liquidation event occurs, the collateral will be liquidated provided this is not prevented by legal or actual hindrances. The remedy of a liquidation event is not possible. If a liquidation event occurs, SIX Swiss Exchange Ltd is, at its own discretion, entitled to privately liquidate all existing collateral immediately or at some later date, provided the applicable legal provisions do not prohibit such private liquidation. Otherwise, the collateral shall be delivered to the responsible person for liquidation. The liquidation encompasses all of the securities and relates to all of the issuer's COSI that are subject to collateralization under the provisions of the Framework Agreement. SIX Swiss Exchange Ltd can make public the occurrence of a liquidation event.

If a liquidation event has occurred, SIX Swiss Exchange Ltd will make a binding determination of the current values of all of the issuer's COSI in their respective trading currency. The current values of the COSI on the banking day immediately preceding the date on which the liquidation event occurred shall be applicable. The investors' claims against the issuer in connection with the COSI are determined on the basis of these current values.

In the case of COSI in a different trading currency than the Swiss franc, SIX Swiss Exchange Ltd shall, with binding effect for the parties to the Framework Agreement and the investors, convert the current values into Swiss francs. The exchange rates according to the regulations of SIX SIS Ltd for the Banking Day immediately preceding the date on which the liquidation event occurred shall be applicable. The conversion of the current values pertains only to the amount and the effect of the payment of pro-rata net liquidation proceeds by SIX Swiss Exchange Ltd to the investors in COSI in a different trading currency than the Swiss franc and shall have no further effect on the relationship between the investor and the issuer.

SIX Swiss Exchange Ltd shall make public the applicable current values of the COSI as well as the applicable exchange rates.

Following a liquidation event, trading in all COSI may be suspended, and the COSI may be delisted.

#### **12) What effect does the occurrence of a liquidation event have on the COSI?**

The COSI will become due and payable thirty banking days after the occurrence of a liquidation event, provided the certificates have not fallen due already as a result of the issuer's bankruptcy. SIX Swiss Exchange Ltd shall make public the due date of the COSI.

#### **13) What claims can be asserted by the investors?**

When the COSI become due and payable in accordance with the provisions of the Framework Agreement, investors' claims against SIX Swiss Exchange Ltd for payment of a pro-rata share of the net liquidation proceeds of the collateral arise automatically.

The maximum amount for each investor shall be his share of the pro-rata net liquidation proceeds that represents the total current values of his COSI. Should the combined current values of all investors in the issuer's COSI exceed the net liquidation proceeds, the payment of pro-rata shares of net liquidation proceeds will be made according to the ratio between the total current values held by individual investors and the total current values accruing to all investors in COSI of the issuer. In case of COSI in a different trading currency than the Swiss franc, the investor's claim against SIX Swiss Exchange Ltd for payment of a pro-rata share of the net liquidation proceeds will be determined according to the current value of the COSI expressed in Swiss francs.

Any excess proceeds arising from the liquidation of the collateral will be paid to the collateral provider.

Investors shall have no further claims against SIX Swiss Exchange Ltd, SIX SIS Ltd or any other persons involved in the service of SIX Swiss Exchange Ltd.

#### **14) How are the net liquidation proceeds paid to the investors?**

Payments of the pro-rata net liquidation proceeds to the investors are made via the banking system. The payment is made exclusively in Swiss francs. investors' claims shall not bear interest. Should the payment to the investors be delayed for any reason, SIX Swiss Exchange Ltd will be neither liable for default interest nor for any further damages.

**15) Which consequences are associated with the payment of the net liquidation proceeds to the benefit of the investors?**

SIX Swiss Exchange Ltd transfers the pro-rata share of the net liquidation proceeds due to investors to SIX SIS Ltd Participants which hold the COSI directly or indirectly for the investors. In doing so, it is released from all further obligations. In certain instances, SIX Swiss Exchange Ltd may execute the payment of proceeds in a different manner, in particular for those investors who hold their COSI via the issuer affected by the liquidation event.

To the extent that pro-rata payments of net liquidation proceeds are paid out to the benefit of the investors, the investors' claims against the issuer of COSI expire. For COSI in a different trading currency than the Swiss franc, the extent of the expiry of investors' claims against the issuer is determined on the basis of the exchange rate of the respective trading currency of the COSI to the Swiss franc applicable on the banking day immediately preceding the Day on which the liquidation event occurred. Decisive for the point in time when the investors' claims expire is the date on which SIX Swiss Exchange Ltd transfers the pro-rata share of net liquidation proceeds to the parties involved in the actual payment. SIX Swiss Exchange Ltd shall make public the date of the transfer.

Upon payment of the pro-rata net liquidation proceeds to the benefit of the investors, the existing claims of SIX Swiss Exchange Ltd against the collateral provider for collateralization of the COSI expire.

**16) What costs arise from COSI and who bears them?**

The collateral provider pays SIX Swiss Exchange Ltd a fee for the service of collateralizing the certificates. These costs may be taken into account for the pricing of a COSI and may therefore be borne by the investor, as the case may be. The pricing of the COSI is the responsibility of the issuer.

The costs (including taxes and duties, as well as consulting Fees) incurred in connection with the liquidation of collateral and the payment of the net liquidation proceeds to the investors are covered by the liquidation proceeds. For this purpose, SIX Swiss Exchange Ltd deducts a flatrate Fee of 0.1 percent of the entire liquidation proceeds for its own expenses and for the expenses of third parties. If extraordinary liquidation and distribution costs are incurred, these additional costs may also be deducted in advance from the liquidation proceeds.

SIX Swiss Exchange Ltd and SIX SIS Ltd are entitled to satisfy in advance out of the liquidation proceeds any outstanding claims they may have against the issuer and collateral provider under the terms of the Framework Agreement.

The remaining net liquidation proceeds are available for payment to the investors in the COSI of the respective issuer.

**17) Which risks are borne by the investor?**

Collateralization cannot eliminate all investment risks associated with COSI. **In particular, the market risk arising from price fluctuations in the COSI and the collateral as well as additional risks in connection with reference bonds remain fully with the investor.**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon the occurrence of a liquidation event (less the costs for the liquidation and payment) are able to meet the investors' claims. The investors bear the following risks, among others:

- the collateral provider is unable to provide the additionally required collateral if the value of the COSI increases or the value of the collateral decreases;
- upon the occurrence of a liquidation event, the collateral cannot immediately be liquidated by SIX Swiss Exchange Ltd because of factual hindrances, or because the collateral must be handed over to the executory authorities for liquidation;
- the payment to the investors becomes delayed for factual or legal reasons;
- the calculation of the current value of a COSI proves to be incorrect, potentially resulting in insufficient collateralization of the COSI;
- the market risk associated with the collateral results in insufficient liquidation proceeds, or in extreme circumstances, the collateral might lose its value entirely until the actual liquidation can take place;
- the maturity of a COSI in a foreign currency according to the Framework Agreement may result in the investor incurring a loss. This because the current value of the COSI, which determines the investor's claim against the issuer, is calculated in that foreign currency, whereas the payment of the investor's pro-rata share of net liquidation proceeds is made in Swiss francs and accordingly determines the extent to which the investor's claim against the issuer expires;
- the collateralization is challenged under the rules governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated for the benefit of investors in COSI.

**18) What happens, if FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange Ltd or SIX SIS Ltd?**

The Framework Agreement shall be terminated.

The collateralization shall continue during two banking days which follow such order. This release time period should enable the investor to resell, as the case may be, certificates still being secured to the issuer. After expiration of the two banking days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the collateral is transferred back to the collateral provider. If a Realization Event occurs during these two banking days, the realization process shall be applicable. SIX Swiss Exchange Ltd and SIX SIS Ltd shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

Further, trading in all COSIs under the Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making at SIX Swiss Exchange Ltd shall expire with this suspension of trading. In case of such order of FINMA, the issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the investors at their corresponding market value. This right of reselling of the investors vis-à-vis the issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange Ltd and SIX SIS Ltd shall notify the public, by announcement on their websites, of the obligations of the issuer regarding over-the-counter market making and repurchasing of the certificates.

**19) Which rules govern the liability associated with the collateralization of certificates?**

The Framework Agreement limits the liability of all parties concerned (i.e. the issuer, the collateral provider, SIX Swiss Exchange Ltd and SIX SIS Ltd) to acts of gross negligence and the wilful violation of obligations. Further liability is excluded.

The liability of SIX Swiss Exchange Ltd and SIX SIS Ltd in connection with the payment of the pro-rata net liquidation proceeds in favour of the investors is limited according to the provisions of the Framework Agreement.

**20) How can investors obtain further information on the collateralization of certificates?**

The Framework Agreement, which is decisive with regard to the legal position of investors in COSI, can be obtained from the issuer upon request free of charge in the German version or in an English translation. Further information on the collateralization of certificates is accessible via the website of SIX Swiss Exchange [www.six-group.com/exchanges](http://www.six-group.com/exchanges).

**21) What must investors bear in mind with regard to the judicial assessment of their claims?**

The investor's legal position is determined by the provisions of the Framework Agreement. Investors are bound vis-à-vis SIX Swiss Exchange Ltd and SIX SIS Ltd to the provisions of the Framework Agreement and in particular to the **choice of Swiss law** as well as the **exclusive jurisdiction of the Commercial Court of the Canton of Zurich (Switzerland)** for the legal adjudication of claims.

*This information sheet constitutes neither investment advice nor an investment recommendation with regard to COSI. The content of this information sheet shall not be deemed to represent an offer or solicitation to buy or take any other action with regard to COSI and does not serve as the basis for or component of any contract. An investment decision on the part of the investor should be taken solely on the basis of an issuer's complete sales documentation. Furthermore, it is advisable to seek the assistance of a specialized financial consultant. Information on the general risks and opportunities associated with certificates can be found in the Swiss Bankers Association brochure entitled "Special Risks in Securities Trading 2008" (accessible via [www.swissbanking.org](http://www.swissbanking.org)) and via the website of the Swiss Structured Products Association ([www.svsp-verband.ch](http://www.svsp-verband.ch)).*

#### **Appendix 4 to the framework agreement for Collateral-Secured Instruments**

[To be submitted by the Issuer to SIX Exchange Regulation along with the listing prospectus]

[Issuer] (hereinafter "Issuer") hereby provides the following assurances (1) to (6) to SIX Swiss Exchange Ltd and SIX SIS Ltd with regard to the Collateral-Secured Instrument [specifications: name/trading currency/ISIN] (hereinafter "COSI") for the entire duration that the COSI is listed on SIX Swiss Exchange Ltd:

- 1) The text block set out in clause 16.1 of the Framework Agreement has been included in full and without amendment in clause [●] of the listing prospectus<sup>1</sup> for the Collateral-Secured Instrument, [including the section completed by the Issuer [concordance table or notes on the terminological differences compared with the standard SIX Swiss Exchange text]/with the section that must not be completed, entitled] "Congruence with the listing prospectus".
- 2) [No additional text modules, as set out in clause 17 of the Framework Agreement, are used in the listing prospectus.]/[The listing prospectus incorporates text module[s] 17.2/17.3/17.4/17.5/17.6 of the Framework Agreement.]
- 3) The text block set out in the clause of the listing prospectus for Collateral-Secured Instruments mentioned in the above assurance (1) [does]/[and the text module[s] used in accordance with assurance (2) [does]/[do]] not constitute a legally significant contradiction to the entire content of the listing prospectus for Collateral-Secured Instruments.
- 4) The text block set out in clause 16.1 of the Framework Agreement has been included in full and without amendment in clause [●] of the issuing prospectus<sup>1</sup> for the Collateral-secured instrument, [including the section completed by the Issuer [concordance table or notes on the terminological differences compared with the standard SIX Swiss Exchange text]/with the section that must not be completed, entitled] "Congruence with the Issuing Prospectus".
- 5) [No additional text modules, as set out in clause 17 of the Framework Agreement, are used in the issuing prospectus.]/[The issuing prospectus incorporates text module[s] 17.2/17.3/17.4/17.5/17.6 of the Framework Agreement.]
- 6) The text block set out in the clause of the issuing prospectus for Collateral-Secured Instruments mentioned in the above assurance (4) [does]/[and the text module[s] used in accordance with assurance (5) [does]/[do]] not constitute a legally significant contradiction to the entire content of the issuing prospectus for Collateral-Secured Instruments.

<sup>1</sup> Depending on the circumstances, in the context of the above assurances (1) to (6) provided by the Issuer, the terms "listing prospectus" and "issuing prospectus" include the stand-alone prospectus, the pricing supplement including the issuance program, as well as all documents with a comparable function.

**[Issuer]**

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Date:

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**Appendix 5 to the framework agreement for Collateral-Secured Instruments**

**Contact details**

**A) Issuer**

Name of Issuer	
Address	
Tel.	

Business contact

Name	
Tel. (land line)	
Mobile	
E-mail	
Job title	

Technical contact

Name	
Tel. (land line)	
Mobile	
E-mail	
Job title	

**B) Guarantor (collateral provider, CP)**

Organization (CP)	
BP ID (CP)	
Address	
Tel.	

Business contact

Name	
Tel. (land line)	
Mobile	
E-mail	
Job title	

Technical contact

Name	
Tel. (land line)	
Mobile	
E-mail	
Job title	

**Appendix 6 to the framework agreement for Collateral-Secured Instruments**

COSI® Logo application guidelines

**Appendix 7 to the framework agreement for Collateral-Secured Instruments**

The [Issuer] ("Issuer") concluded the Framework Agreement for Collateral-Secured Certificates with SIX Swiss Exchange Ltd and SIX SIS Ltd ("Framework Agreement") on [●].

The [Distribution Company of the Issuer/address] ("Distribution Company of the Issuer") hereby confirms that it is involved in the marketing and distribution of the Issuer's Collateral-Secured Certificates.

On the basis of the aforementioned declaration by the Issuer's Distribution Company, SIX Swiss Exchange Ltd shall, with the agreement of Issuer, grant this Distribution Company the right to use the COSI brand (CH trademark no. 595672) and the COSI logo (CH trademark no. 604066) (hereinafter referred to collectively as "COSI Trademarks") in accordance with the provisions of the Framework Agreement (including Appendix 6). This right to use the COSI Trademarks shall apply automatically to the Issuer's Distribution Company from the time SIX Swiss Exchange Ltd receives Appendix 7, as duly signed by the Issuer and the Distribution Company.

The Issuer's Distribution Company is not party to the Framework Agreement due to the declaration in accordance with Appendix 7. Appendix 7 is subject to the provisions of the Framework Agreement. When using the COSI Trademarks, whether for marketing or distributing Collateral-Secured Certificates or for any other purposes, the Issuer's Distribution Company shall be bound with respect to SIX Swiss Exchange Ltd by the provisions of the Framework Agreement, in particular clause 9.1.2 and clause 21 concerning applicable law and place of jurisdiction.

**[Issuer's Distribution  
Company]**

**[Issuer]**

Date:

Date: